

U.S. Attacks Terror Sites in Afghanistan and Sudan

'Not Just Retaliation, but Also an Act of Self-Defense'

By Joseph Fitchett
International Herald Tribune

PARIS — The United States delivered powerful surprise air attacks Thursday against six sites in Afghanistan and one in Sudan described by Washington as key bases used by Islamic terrorists behind deadly explosions at U.S. embassies in Kenya and Tanzania this month.

Sudanese state-controlled television, monitored in Cairo, reported that the country had sustained U.S. air strikes.

The blows at these widely separated targets deep inside the territories of Muslim countries hostile to the United States were delivered by sea-launched cruise missiles, Pentagon officials said.

While officials said that extensive damage had been inflicted on what they called "terrorist-related facilities" in both countries, detailed estimates of dam-

age and even details about what military options had been used were withheld in an initial news conference by Defense Secretary William Cohen in Washington. But officials said that there were no American casualties.

The U.S. strikes targeted guerrilla bases in both Muslim nations as the nerve center of operations for Osama bin Laden, the wealthy Saudi extremist named by U.S. officials as the mastermind of several overlapping anti-American terrorist networks.

Shortly after the attacks, the Taliban militia that controls Afghanistan said Mr. bin Laden had escaped the bombing.

Describing the U.S. actions as "not just retaliation for a specific act but also an act of self-defense" by the United States to protect American lives around the world, Mr. Cohen said that both countries had harbored terrorists' planning and training facilities and helped them launch attacks, thereby making them

legitimate targets for U.S. military attacks.

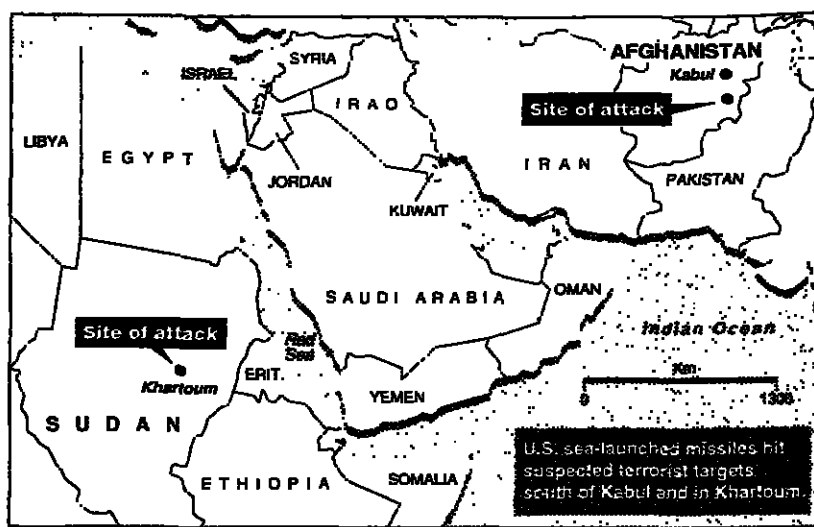
The operations, which will be seen as the boldest, firmest use of force ever by the Clinton administration, were directed against "a clear and imminent threat" to the United States, said General Hugh Shelton, chairman of the joint chiefs of staff.

This sense of menace in official statements appeared intended to explain the timing of the U.S. decision in a way that pre-empted any suggestion that President Bill Clinton might have ordered military action to shore up his domestic authority at a critical juncture.

Weapons of mass destruction, including nerve gas, were being actively sought by Mr. bin Laden's organization, General Shelton said.

Chemical weapons were under development at a plant in Sudan, which was one of the targets of the U.S.

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Canada Bars Unilateral Secession

Supreme Court Rules Quebec Must Negotiate Terms for Any Breakup

By Steven Pearlstein
Washington Post Service

TORONTO — Weighing in on Canada's longest running political dispute, the country's Supreme Court declared unanimously Thursday that the French-speaking province of Quebec does not have the unilateral right to secede from the rest of Canada.

At the same time, the nine justices said that if Quebec voters expressed a clear preference for secession, the Canadian constitution would require the federal government in Ottawa and the remaining provinces to negotiate in good faith on the terms of a breakup.

"The continued existence and operation of the Canadian constitutional order cannot remain unaffected by the unambiguous expression of a clear majority of Quebecers that they no longer wish to remain in Canada," said the court, citing court precedent and the realities of international law.

The long-awaited decision was a legal victory for the government of Prime Minister Jean Chretien, which requested the advisory opinion in an effort to cool secessionist sentiment in a province that is home to one in four Canadians, including the prime minister himself.

Quebec voters narrowly defeated a secession referendum in 1995, and the ruling party in the provincial government has vowed to hold another referendum, perhaps as early as next year.

Even if Quebec voters opt clearly for secession, however, the Supreme Court said Thursday, that would only begin a long and difficult process of amending the country's basic governing charter.

"Democracy," the court said, "means more than simple majority rule." It noted that the requirements of democracy must be balanced with those of federalism and respect for minority interests. "Secession of a province under the constitution could not be achieved," without negotiation with "other participants" in the Canadian confederation.

At a minimum, the court said that such a process would require the acquiescence of the federal Parliament and those of seven of the country's 10 provinces — the normal requirements for amending the Canadian constitution. And the court held out the possibility that some of the terms of a secession agreement might require unanimous approval of the provinces.

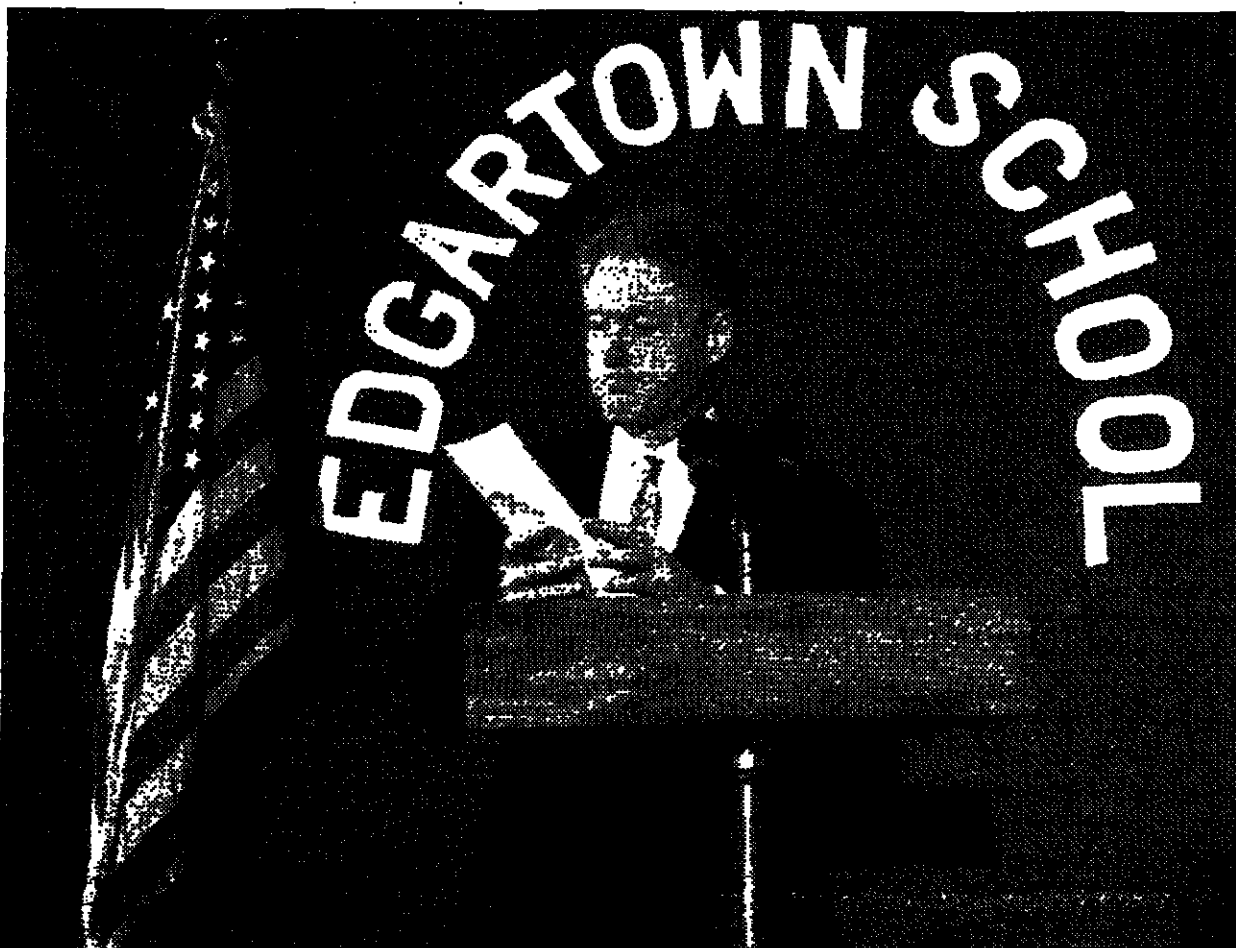
Both separatists and federalists quickly found reason for declaring victory in the wake of the nearly 50-page opinion, which reflected the court's careful political balancing act.

Mr. Chretien said that the court had "well-served all Canadians by bringing clarity to certain fundamental rules" and by dismissing the arguments of the hard-line secessionists. He said he hoped the court's opinion would be an occasion for Quebecers to "put aside" the secession question.

In Quebec, Jacques Brossard, the province's combative minister of inter-governmental affairs, hailed the opinion

See QUEBEC, Page 3

Newsstand Prices			
Andorra	10 00 FF	Lebanon	11 3000
Antilles	12 50 FF	Morocco	16 DH
Cameroon	1 600 CFA	Qatar	10 00 QR
Egypt	EE 5 50	Reunion	12 50 FF
France	10 00 FF	Saudi Arabia	10 SR
Gabon	1 100 CFA	Senegal	1 100 CFA
Italy	2 800 Lit	Spain	225 Ptas
Ivory Coast	1 250 CFA	Tunisia	1 250 Din
Jordan	1 250 JD	U.A.E.	10 00 Dh
Kuwait	700 Fils	U.S. (M. Eur.)	\$1 20



President Bill Clinton after announcing the surprise air strikes Thursday from a school on Martha's Vineyard.

Anti-U.S. Plot Broken Up in Albania

Egyptian Terror Suspects Arrested, and Embassy Bomb Plans Seized

By John Kifner
New York Times Service

TIRANA, Albania — American intelligence operatives, directing the Albanian secret police in a series of lightning raids, appeared to have thwarted a bomb plot against the U.S. Embassy here and broken up a ring of Egyptian Islamic terrorists using this troubled Balkan nation's anarchy to set up a base.

Among the material seized in the

raids, which netted five alleged terrorists wanted in Egypt — including some facing death sentences — were plans for the bombing of the embassy in Tirana, according to Albanian security officials.

American officials, acting after the bombing of their embassies in Nairobi and Dar es Salaam, took the information seriously enough to destroy embassy communications equipment last week, one of the steps mandated when an embassy might be attacked by terror-

ists, an American security agent said. It was not immediately known when the raids in Tirana had occurred, but late last week the United States sent in about 200 Marines, 10 navy SEALs and a number of other plainclothes security men to evacuate dependents and non-essential personnel and guard the residual remaining in the gated U.S. residential compound, a tiny slice of suburbia amid the brutal peasant poverty here.

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Attacks Get Support, Along With Questions

Some Republicans Wonder About the Timing

By Brian Knowlton
International Herald Tribune

WASHINGTON — President Bill Clinton's decision to order military strikes against targets in Sudan and Afghanistan drew strong endorsements from some key Republican legislators but was sharply questioned by others, who suggested that the timing made the attacks seem suspiciously like a diversion mounted by an embattled president.

"The United States did exactly the right thing," said the speaker of the House, Representative Newt Gingrich of Georgia. "We cannot allow a terrorist group to attack United States embassies and do nothing."

But other legislators did not wait even for Mr. Clinton's full public explanation of the attacks to suggest that he might be seeking to take people's minds off the Monica Lewinsky matter.

Senator Arlen Specter, Republican of Pennsylvania, said that the question of whether Mr. Clinton had a "diversionary motive" in ordering the military action was an "obvious issue."

Representative Ike Skelton of Kansas, one of the few Democrats to respond immediately to word of the attacks, dismissed the talk of a diversion as "nonsense."

"Anyone who says this is politically motivated is absolutely wrong," said Mr. Skelton, who is the ranking Democrat on the House National Security Committee.

While several average Americans, interviewed on CNN, expressed support for the U.S. strikes, a number of others said it left them with unsettling doubts about the president's motives and an unpleasant sense of failing trust.

Mr. Gingrich, the only legislator to say he had been briefed in advance of the attacks, called the strikes completely justified.

"It's very important," he said on CNN, "that we sent the signal to coun-

tries like Sudan and Afghanistan that if you house a terrorist, you become a target. We cannot afford to have people who think they can kill Americans without any consequences."

Senator Jesse Helms, the North Carolina Republican who is chairman of the Foreign Relations Committee, said that the U.S. attacks were "clearly designed to strike at the heart of a terrorist network that has the blood of American citizens on its hands and which was planning further attacks."

Senator Orrin Hatch of Utah, a senior Republican who frequently speaks for his party about the Lewinsky matter, said that he applauded Mr. Clinton's action. "Terrorism," he said, "is the No. 1 threat to Americans and American interest in the post-Cold War world."

Mr. Hatch, chairman of the Judiciary Committee, urged Mr. Clinton to go even further, however, saying: "I would urge the president that he conduct a campaign against terrorism rather than a momentary series of limited strikes. If that's all this is, then I will be more critical."

The U.S. strike was also backed by Senator John McCain of Arizona. But Mr. McCain, who is considered a possible Republican candidate for the presidency in 2000, tempered his support with searing criticism of Mr. Clinton's recent handling of foreign policy.

"I think the president did the right thing," he said, during an appearance in Phoenix. "I think the majority of the American people will support him."

Asked by a reporter whether Mr. Clinton might have hoped to distract Americans' attention from the Lewinsky case, Mr. McCain said, "I will not assume any other reason unless I have evidence to prove that."

He then listed a series of major foreign policy issues — the confrontation with Iraq over inspection of suspected weapons sites, setbacks to the Middle

See REACTION, Page 12

State Support in Asia's Stock Markets Raises Investors' Suspensions

By Thomas Fuller
International Herald Tribune

KUALA LUMPUR — East Asian stock markets continued to climb Thursday on the back of direct government buying, but many fund managers and analysts are beginning to say that the state-sponsored buying will leave long-term scars.

Ultimately, they said, government purchases in stock markets like Hong Kong's, which has long been seen as the region's bastion of free-market capitalism, create artificial price levels and make investors wary of the risk of future government activity, undermining the independence of the markets.

"I find it deeply disconcerting," said Bill Kaye, managing partner of Asian Hedge Fund LP in Hong Kong. "It raises the risk profile of Hong Kong. And it raises the cost of investing here."

Some analysts say the government's direct purchases of equities contradicted the basic idea that a stock market should reflect the expectations of a company's performance.

The benchmark Malaysian stock index rose 2.2 percent Thursday. On Wednesday, it rose 8.8 percent in its biggest one-day rise in six months. In Hong Kong, stocks rose 1.57 percent Thursday, up 7.4 percent in three days.

Prime Minister Mahathir bin Mohammad of

Malaysia said Thursday that Kuala Lumpur would ask investment funds run by the state to make purchases in the stock market.

Dealers told Agence France Presse on Thursday that the fund had "nibbled" in the afternoon session.

But it was the unprecedented intervention in Hong Kong this week that received the most attention. By one estimate, the Hong Kong government now holds \$2 billion worth of local stocks.

Governments often intervene in currency markets, but direct buying of shares on stock exchanges is rare in developed countries.

"Essentially, the government has tried to temporarily nationalize the Hong Kong index," said Mar-

shall Mays, chief strategist at Nikko Securities Co.

"In the name of providing some protection or assurance for the market, it has basically taken away some of the incentive for the market to cure itself," he told the CNBC television network.

Hong Kong last week also issued a waiver — the first in its history — to China Telecom, allowing it to buy back shares beyond the level stipulated by securities rules. The move was reminiscent of waivers in Malaysia late last year that caused the stock market to tumble.

Mr. Kaye said prices on the Hong Kong market

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Arctic Autopsy of the 1918 Flu Pandemic

Scientists Enlist Grave-Diggers in Search for Evidence in Medical Mystery

By John Noble Wilford
New York Times Service

LONGYEARBYEN, Norway — They start digging Friday morning, the five grave-diggers all the way from London. Actually, much of the time they will be hammering through ice. Here in the islands of Spitsbergen in the high Arctic between mainland Norway and Greenland, the ground at depths of a meter (more than 3 feet) is permafrost. At about 2 meters, they should find the bodies in the mass grave encased in a tomb of ice.

The cemetery is at the foot of a steep hill overlooking this small mining town and a glacier looming at the head of the valley. It is summer, the time of the midnight sun.

Over the mass grave a tent with a special air lock has been stretched and inflated. The tent is for privacy in this somber enterprise and protection against anything possibly dangerous escaping into the outside air. Inside, the

diggers, with medical scientists at their side, will go about their business of opening the resting place of seven young men who were buried here 80 years ago.

This is a critical moment in one of the most ambitious efforts yet to solve an intractable medical mystery: What caused the influenza pandemic of 1918 and early 1919? Why was this particular contagion so virulent that it killed an estimated 20 million to 40 million people worldwide? The secret of one of the most lethal viruses the world has ever known may dwell in the lungs of these coal miners, who were its victims.

"Five years' work culminates in the next few weeks," Kirsty Duncan, a Canadian geographer who is directing the project, said as final preparations were under way. The professor specializes in medical geography and teaches at the universities of Windsor and Toronto.

Inspired by reading "America's Forgotten Pandemic: The Influenza of

1918" by Alfred Crosby of the University of Texas at Austin, she began the dogged research that led scientists to the mass grave in the Longyearbyen cemetery. Mr. Crosby, a historian, wrote that this "demographic catastrophe" killed more people in such a short time than any other disease in the history of the world.

"I was horrified when I found out we didn't know what caused this disease, which killed many more people than died in battle in World War I," Ms. Duncan said.

From a journal kept by the coal mining company here, she found the names of seven men, aged 18 to 29, farmers and fishermen who had just arrived here to earn extra money at winter jobs in the mine. But they had contracted flu on the boat trip from the mainland and died in the first week of October 1918. The sight of their names on the six crosses and one headstone at the back of the

See FLU, Page 12

AGENDA

Grenade Kills Cambodian Bystander

The Dollar		
New York	Thursday @ 4 PM	previous close
DM	1.7889	1.7981
Yen	143.125	144.005
FF	6.03	6.0265
Pound	1.631	1.623

The Dow		
Thursday close	percent change	
-81.87	8,611.41	-0.94%

S&P 500		
-6.46	1,091.60	-0.59%

Nasdaq		
-10.25	1,832.44	-0.56%

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The IHT on-line	www.ihnt.com
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PHNOM PENH (Reuters) — One man was killed late Thursday when a grenade was thrown and shots were fired outside the Cambodian Interior Ministry, where the opposition politician Sam Rainsy was protesting alleged fraud in the election last month.

The dead man was a Cambodian driver for the Japanese news agency Kyodo. He was waiting outside the ministry when a car raced past and the grenade was thrown, witnesses said.

Britain to Toughen Anti-Terror Laws

Britain announced Thursday that it would toughen laws to fight terrorists, matching draconian measures by the Republic of Ireland, following the car-bomb attack Saturday that killed 28 people in Omagh, Northern Ireland.

The new measures include widening government power to intern terrorism suspects without trial. Page 12.

The Global Drug Village / Made in Colombia, Abused in Canada

Peasant Coca Growers Suspicious of Bogota's 'Marshall Plan'

By Diana Jean Schemo
New York Times Service

SAN JOSE DEL GUAVIARE, Colombia — The optimism of a fresh start. The sweet talk of reconciliation. The promise of a respectable way to make a living instead of growing coca. Dagoberto P. has heard it all before. And this year, he is not buying.

Dagoberto, who owns 40 hectares (100 acres) planted with coca, remembers "crop substitution" proposals that went by the names of "alternative development" and "crop substitution." They never materialized. And now the new president of Colombia, Andres Pastrana, is calling for a "Marshall Plan" to bring the coca-growing hinterlands of Colombia into the present.

"It wasn't crop substitution at all," Dagoberto recalled of an earlier administration's pledge. "It was forced fumigation."

There is still no highway from here to Bogota, a 440-kilometer (275-mile) journey that takes a truck eight days, so vegetables are rotten by the time they reach market.

Mr. Pastrana's modernization plan is part of an ambitious array of ideas he has formulated to curtail drug trafficking and reclaim a nation reeling from decades of war.

With government coffers empty, the new administration would like to raise money by selling a new kind of bond. The money would bring electricity, water, roads and technical expertise to forgotten rural areas where poverty and government indifference have allowed coca-growing and rebel movements to thrive.

Here in the coca-growing heartland, where the U.S.-backed war on drugs is fought with herbicides and helicopter gunships, coca growers remain skeptical. Any plan's first obstacle might well lie with the growers themselves, embittered by years of fumigation and confrontation with government authorities.

"In one way or another, they've been saying that for years, and we've been asking for it," said Antonio R., another coca grower and father of five. "But all we've ever had are expectations." Like other growers interviewed, he asked that his full name not be published out of fear for his safety.

The Pastrana administration is asking for international help, and U.S. administration officials appear willing to listen. Peter Romero, acting assistant secretary of state for inter-American affairs, said Washington had "several hundred million dollars on the table for Colombia," some of which could be available for alternative development.

"What Colombia has to do is put together a strategy," Mr. Romero said on a recent visit here. "We're just waiting to see that strategy, to evaluate it."

Mr. Pastrana has also made a priority of negotiating with rebels who protect coca growers. He acceded to their demands that government security forces temporarily withdraw from five municipalities in an area twice the size of El Salvador as a condition for beginning peace talks by early November.

The Revolutionary Armed Forces of Colombia is believed to number 15,000 combatants. Ten times as many quiet supporters provide logistic help.

The president vows that he will personally lead the talks with the insurgents.

The rebels are suggesting they would be willing to abandon their drug revenues, which some analysts estimate at \$100 million a year, as part of a peace agreement that would provide other ways for coca-growing peasants to make a living.

U.S. officials are skeptical about whether the rebels will actually give up the coca revenues.

"There'd have to be some powerful reward and punishment algorithm to make that happen," General Barry McCaffrey, the White



Crop substitution schemes come and go in Colombia, but they must compete with the cocaine industry, which remains a steady and dependable customer.

House anti-drug chief, said just before Mr. Pastrana's inauguration.

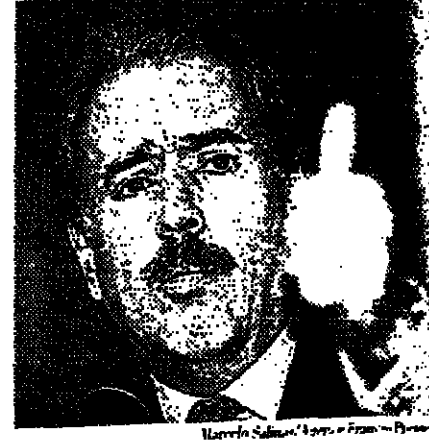
But Mr. Pastrana, who eluded his security guards to meet secretly with the guerrillas' top commander last month, seems willing to take the rebels at their word.

The potentially fatal stumbling block lies in the price for signing a peace accord and pledging to control the drug trade. This would

be a demand by the rebels for local autonomy and control over the government budget in their regions.

Although U.S. officials publicly contend they are interested in Colombia's civil conflict solely because of the drug trade, privately they admit they are also concerned about the conflict spilling over Colombia's borders and causing regional instability. Officials in

Andres Pastrana, right, the new president of Colombia, says coca growers can find an alternative to raising the main ingredient in cocaine. He is in talks with rebels who help get the crops to market.



Bogota and Washington also balk at the notion of funding a rebel state within Colombia.

"In the past, there hasn't been sincerity on the part of either side," said Alejandro Ovalles, a restaurant owner who runs a local business association. "War is a business in any part of the world," he said. "There's lots of mistrust on all sides."

Nevertheless people here say that the insurgents are the only actors with the necessary presence, muscle and local respect to put a rapid end to coca growing. They say that at one time the rebels banned commercial fishing at a local river that was being rapidly depleted, and fishermen obeyed. Another time, the insurgents forbade coca growers to cut down trees in a part of the rain forest, and again nobody dared to defy them.

"It's about educating people," the local Roman Catholic parish priest, the Reverend Jorge Vargas, said. "But it's based in fear."

Though their lives are intimately affected by U.S. policies, the growers complained of feeling invisible to decision-makers in Washington.

When General McCaffrey visited the anti-narcotics base here recently, they said, the town became "militarized" and people stayed shut in their homes.

"We're not the kind of people you like to deal with, but we're human beings," Antonio said.

And though Washington this year doubled the pace of chemical fumigation to kill coca crops, the governor of Guaviare, Hernando Gonzalez Villamizar, does not expect results. "After seven years of fumigating, there's more coca than ever," he said.

Growers say they would be eager to give up coca growing if they could earn a livelihood elsewhere.

Since many of them started growing and processing coca 15 years ago, the cost of processing coca has soared, while the prices paid for cocaine have stayed the same.

It takes 220 liters (55 gallons) of gasoline to process 1 kilogram (2.2 pounds) of cocaine, which Dagoberto said earns a grower \$1,000.

Upon hearing that a gram of cocaine sells for \$100 by the time it reaches New York, he looked at the floor and shook his head.

The state secretary of culture, Pedro Arenas, said that the rain forest could not sustain the estimated 20,000 growers living in it.

The growers, many of whom came here to escape violence and hopelessness in other parts of Colombia, should be sent back home and given land, he said.

"The Marshall Plan here would be called agrarian reform," Mr. Arenas said.

The jungle is scarred, burned and polluted with the astonishing quantities of gasoline and other materials involved in the 240,000 kilograms of coca paste produced in Guaviare each year.

"The white man," Dagoberto said, "doesn't know how to live in the jungle."

In Vancouver, Tolerance of Drugs Draws Addicts — and Ire

By Anthony DePalma
New York Times Service

VANCOUVER, British Columbia — Fame easily finds a place like this, with its climate so embracing, its surroundings so inspiring and its population leavened so liberally with artists and new immigrants.

Yet, as a fortune cookie in one of Vancouver's countless Chinese restaurants might read, fame is fleeting, and what is fabulous one day can turn foul the next.

Vancouver is quickly gaining a reputation as a haven for illicit drugs and those who use them — from the brazen addicts shooting up and buying heroin and cocaine around the intersection of Hastings and Main Street to the high-potency marijuana that is raised, sold and openly smoked on streets and in cafes.

"I heard that you could smoke and nobody bothered you," said Adam, a lanky 19-year-old from Seattle who came with two friends for an overnight trip. They easily bought marijuana on the street and then — somewhat shyly — entered the Cannabis Cafe, a marijuana mecca for many Americans on the West Coast.

While one friend picked at a green salad mixed with a few hemp seeds, Adam took out a joint and, somewhat uneasily, lit it. Soon he relaxed. "It's a good environment, 'cause you can't smoke cigarettes, you can only smoke marijuana," he said. "You don't have the smoky bar atmosphere, just a pleasant smell."

As other customers casually lit up their joints, the smell of marijuana was as inescapable as popcorn at a movie theater.

"Vancouver is the most tolerant spot in Canada when it comes to different lifestyles and cultures," said Sister Isee, a 38-year-old Toronto woman once known as Shelley Francis who has owned the cafe and adjacent Hemp BC store since April.

Although the police have raided it three times (once since she took over and twice last year under a different owner) the Cannabis Cafe still celebrates marijuana. On the wall is a painting of the Virgin of Guadalupe, Mexico's patron saint, who stands serenely in her starred gown, surrounded by tall marijuana stalks. The menu features pasta with hemp pesto, salads with hemp dressing and quesadillas made with hemp tortillas.

"There's no harm in it," said Sister Isee. Lighting an oversized, filtered joint, she said she lived in the West Indies for most of the 1980s and joined the Rastafarian sect, which gave her her name and introduced her to marijuana, "the weed of wisdom."

"Marijuana is a plant," she said. "You can't prosecute people for smoking flowers. It shouldn't be regulated any more than parsley or broccoli."

For Vancouver officials, the Cannabis Cafe is a public relations nightmare. "We don't like the reputation that things like that bring to the city," said Bruce Chambers, chief constable of the Vancouver Police Department.

After the last raid in April, the police charged Sister Isee with selling drug paraphernalia in the Hemp BC store. On a recent visit, the store carried shoes, shirts and snowboards, all made with hemp, along with pipes, bongos and cigarette rolling papers.

Now the city intends to deny Sister Isee the licenses she needs to run the store and cafe, working through the city council, not the courts.

"They're going to be toast by September," said Philip Owens, mayor of Vancouver.

"Vancouver has been called Vansterdam, and we're not proud of it," a city police officer said.

"Vancouver has been called Vansterdam, and we're not proud of it," said Ken Doran, an inspector with the police department's drug unit.

Police have raided and shut down 82 hydroponic marijuana growing operations this year, confiscating \$14 million worth of the drug.

The growers use basements, attics, sometimes entire houses to put out high-yield crops, Constable Chambers said.

Police analysts say the marijuana is grown under such favorable conditions that it contains 12 times the amount of tetrahydrocannabinol — or THC, the chemical compound that gives marijuana its punch — than was common just a few years ago.

Beyond marijuana, Vancouver estimates that there are as many as 15,000 intravenous drug users in British Columbia, most of them in Vancouver.

The area around Hastings and Main is filled with addicts, many drawn by the cheap rooms or an AIDS-control program that gives out about 2.5 million free needles a year.

Drugs killed a record 201 people in the first half of 1998, according to the British Columbia coroner, the majority of them in Vancouver. Then a medical report indicated a vast need for treatment programs and proposed that hard-core addicts be given free heroin to keep them from robbing to support their habits, a position that Constable Chambers conditionally supported.

"The city itself is divided and unsure of what to do next," Mr. Owens, the mayor, said. Constable Chambers say that prosecutors and judges are too soft on people convicted of drug charges.

"People like to point to judges because we're easy targets," said Robert Metzger, chief judge of the provincial court. "But this seems to be a social and political problem."

Libby Davies, the member of Parliament who represents the area around Hastings and Main, has called for more national funds to cope with Vancouver's drug epidemic. She supports not only providing free heroin to hard-core addicts, but also clinics where they can safely inject.

Ms. Davies is not concerned that such programs, already tried in Europe, might cement Vancouver's reputation as the Amsterdam of North America.

"The situation at Hastings and Main couldn't get worse," she said. "This is not about the city's reputation. It's about saving lives."

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TRAVEL UPDATE

Northwest Quickly Kills Fare Rise

MINNEAPOLIS (AP) — Northwest Airlines has rescinded a rate increase that it imposed after refusing to match higher prices by competitors.

A spokesman, Jon Austin, said that the reversal was not accidental but that he had no other comment about why Northwest rescinded the 4 percent increase of advance-purchase and sale fares after only two days.

"I think we're playing 'guess the fare,'" said Terry Trippier, editor of The Airfare Report. "I've got to admit, I'm baffled. It makes you think that maybe somebody accidentally sat on the wrong button."

The Wednesday reversal was a surprise, and other airlines did not immediately lower their fares.

Storm Watch Posted in Caribbean

MIAMI (Reuters) — Forecasters put the U.S. and British Virgin Islands under a tropical storm watch Thursday as a powerful weather system moved across the Atlantic toward the Caribbean.

The watch, alerting residents to possible tropical storm conditions within 36 hours, also was in effect for the northern Leeward Islands of Antigua, Barbuda, Anguilla, St. Martin, Saba and St. Eustatius as the Atlantic hurricane season's second tropical depression gained speed.

It was expected to reach tropical storm strength later Thursday and could be a hurricane by the weekend.

All Tel Aviv beaches were ordered closed to the public Thursday after a main waste pipeline broke and 200,000 cubic meters (7 million cubic feet) of sewage spilled into the Mediterranean. (AP)

Europe

City	Today	Low	High	Tomorrow	Low	High
Algeria	20/25	17/20	23/28	18/23	15/20	21/26
Amsterdam	20/25	17/20	23/28	18/23	15/20	21/26
Antwerp	20/25	17/20	23/28	18/23	15/20	21/26
Athens	20/25	17/20	23/28	18/23	15/20	21/26
Birmingham	20/25	17/20	23/28	18/23	15/20	21/26
Bombay	20/25	17/20	23/28	18/23	15/20	21/26
Boston	20/25	17/20	23/28	18/23	15/20	21/26
Buenos Aires	20/25	17/20	23/28	18/23	15/20	21/26
Calcutta	20/25	17/20	23/28	18/23	15/20	21/26
Chennai	20/25	17/20	23/28	18/23	15/20	21/26
Colombo	20/25	17/20	23/28	18/23	15/20	21/26
Dhaka	20/25	17/20	23/28	18/23	15/20	21/26
Delhi	20/25	17/20	23/28	18/23	15/20	21/26
Dubai	20/25	17/20	23/28	18/23	15/20	21/26
Frankfurt	20/25	17/20	23/28	18/23	15/20	21/26
Geneva	20/25	17/20	23/28	18/23	15/20	21/26
Hong Kong	20/25	17/20	23/28	18/23	15/20	21/26
London	20/25	17/20	23/28	18/23	15/20	21/26
Los Angeles	20/25	17/20	23/28	18/23	15/20	21/26
Madrid	20/25	17/20	23/28	18/23	15/20	21/26
Mumbai	20/25	17/20	23/28	18/23	15/20	21/26
New Delhi	20/25	17/20	23/28	18/23	15/20	21/26
Paris	20/25	17/20	23/28	18/23	15/20	21/26
Rangoon	20/25	17/20	23/28	18/23	15/20	21/26
San Francisco	20/25	17/20	23/28	18/23	15/20	21/26
Seoul	20/25	17/20	23/28	18/23	15/20	21/26
Singapore	20/25	17/20	23/28	18/23	15/20	21/26
Taipei	20/25	17/20	23/28	18/23	15/20	21/26
Tokyo	20/25	17/20	23/28	18/23	15/20	21/26
Yokohama	20/25	17/20	23/28	18/23	15/20	21/26

North America

City	Today	Low	High	Tomorrow	Low	High
Anchorage	19/21	16/21	26/31	18/21	15/21	26/31
Boston	20/25	17/20	23/28	18/23	15/20	21/26
Chicago	20/25	17/20	23/28	18/23	15/20	21/26
Denver	20/25	17/20	23/28	18/23	15/20	21/26
Detroit	20/25	17/20	23/28	18/23	15/20	21/26
Houston	20/25	17/20	23/28	18/23	15/20	21/26
Los Angeles	20/25	17/20	23/28	18/23	15/20	21/26
Manila	20/25	17/20	23/28	18/23	15/20	21/26
Memphis	20/25	17/20	23/28	18/23	15/20	21/26
Minneapolis	20/25	17/20	23/28	18/23	15/20	21/26
Montreal	20/25	17/20	23/28	18/23	15/20	21/26
New York	20/25	17/20	23/28	18/23	15/20	21/26
Phoenix	20/25	17/20	23/28	18/23	15/20	21/26
Portland	20/25	17/20	23/28	18/23	15/20	21/26
San Francisco	20/25	17/20	23/28	18/23	15/20	21/26
Seattle	20/25	17/20	23/28	18/23	15/20	21/26
St. Louis	20/25	17/20	23/28	18/23	15/20	21/26
Tampa	20/25	17/20	23/28	18/23	15/20	21/26
Washington	20/25	17/20	23/28	18/23	15/20	21/26

Asia

		Today		Tomorrow	
	CF	Low	High	Low	High
Algeria	CF	20/25	14/25	21/25	17/22
Amsterdam	CF	20/25	20/25	21/25	20/25
Antwerp	CF	24/25	18/25	24/25	18/25
Athens	CF	24/25	18/25	24/25	18/25
Birmingham	CF	24/25	18/25	24/25	18/25
Bombay	CF	24/25	18/25	24/25	18/25
Boston	CF	24/25	18/25	24/25	18/25
Buenos Aires	CF	24/25	18/25	24/25	18/25
Calcutta	CF	24/25	18/25	24/25	18/25
Chennai	CF	24/25	18/25	24/25	18/25
Colombo	CF	24/25	18/25	24/25	18/25
Dhaka	CF	24/25	18/25	24/25	18/25
Delhi	CF	24/25	18/25	24/25	18/25
Dubai	CF	24/25	18/25	24/25	18/25
Frankfurt	CF	24/25	18/25	24/25	18/25
Geneva	CF	24/25	18/25	24/25	18/25
Hong Kong	CF	24/25	18/25	24/25	18/25
London	CF	24/25	18/25	24/25	18/25
Los Angeles	CF	24/25	18/25	24/25	18/25
Madrid	CF	24/25	18/25	24/25	18/25
Mumbai	CF	24/25	18/25	24/25	18/25
New Delhi	CF	24/25	18/25	24/25	18/25
Paris	CF	24/25	18/25	24/25	18/25
Rangoon	CF	24/25	18/25	24/25	18/25
San Francisco	CF	24/25	18/25	24/25	18/25
Seoul	CF	24/25	18/25	24/25	18/25
Singapore	CF	24/25	18/25	24/25	18/25
Tokyo	CF	24/25	18/25	24/25	18/25
Vancouver	CF	24/25	18/25	24/25	18/25

Africa

	Low	High	Tomorrow	Low	High
Algeria	CF	20/25	14/25	21/25	17/22
Cape Town	CF	20/25	14/25	21/25	17/22
Geneva	CF	20/25	14/25	21/25	17/22
London	CF	20/25	14/25	21/25	17/22
Los Angeles	CF	20/25	14/25	21/25	17/22
Madrid	CF	20/25	14/25	21/25	17/22
Paris	CF	20/25	14/25	21/25	17/22
Tokyo	CF	20/25	14/25	21/25	17/22

Latin America

	Low	High	Tomorrow	Low	High
Buenos Aires	CF	20/25	14/25	21/25	17/22
Caracas	CF	20/25	14/25	21/25	17/22
La Paz	CF	20/25	14/25	21/25	17/22
Lima	CF	20/25	14/25	21/25	17/22
Managua	CF	20/25	14/25	21/25	17/22
Medellin	CF	20/25	14/25	21/25	17/22
Montevideo	CF	20/25	14/25	21/25	17/22
Quito	CF	20/25	14/25	21/25	17/22
Santiago	CF	20/25	14/25	21/25	17/22
Sao Paulo	CF	20/25	14/25	21/25	17/22
Toronto	CF	20/25	14/25	21/25	17/22

Europe

	Low	High	Tomorrow	Low	High
Amsterdam	CF	20/25	14/25	21/25	17/22
Antwerp	CF	20/25	14/25	21/25	17/22
Athens	CF	20/25	14/25	21/25	17/22
Birmingham	CF	20/25	14/25	21/25	17/22
Bombay	CF	20/25	14/25	21/25	17/22
Boston	CF	20/25	14/25	21/25	17/22
Buenos Aires	CF	20/25	14/25	21/25	17/22
Calcutta	CF	20/25	14/25	21/25	17/22
Chennai	CF	20/25	14/25	21/25	17/22
Colombo	CF	20/25	14/25	21/25	17/22
Dhaka	CF	20/25	14/25	21/25	17/22
Delhi	CF	20/25	14/25	21/25	17/22
Dubai	CF	20/25	14/25	21/25	17/22
Frankfurt	CF	20/25	14/25	21/25	17/22
Geneva	CF	20/25	14/25	21/25	17/22
Hong Kong	CF	20/25	14/25	21/25	17/22
London	CF	20/25	14/25	21/25	17/22
Los Angeles	CF	20/25	14/25	21/25	17/22
Madrid	CF	20/25	14/25	21/25	17/22
Mumbai	CF	20/25	14/25	21/25	17/22
New Delhi	CF	20/25	14/25	21/25	17/22
Paris	CF	20/25	14/25	21/25	17/22
Rangoon	CF	20/25	14/25	21/25	17/22
San Francisco	CF	20/25	14/25	21/25	17/22
Seoul	CF	20/25	14/25	21/25	17/22
Singapore	CF	20/25	14/25	21/25	17/22
Tokyo	CF	20/25	14/25	21/25	17/22
Vancouver	CF	20/25	14/25	21/25	17/22

THE AMERICAS

In Rural Heartland, Constituents Take a Tougher Line on Clinton Scandal

By Lizette Alvarez
New York Times Service

LEOTI, Kansas — Business talk came first in this tiny rural farm town that people here call the "middle of Middle America."

There were cumbersome export restrictions to discuss and the need for trains to haul out wheat and other crops.

But just as their congressman, Representative Jerry Moran, a Republican, got ready to wrap things up at the town hall meeting, Dorothea Appl, chimed in: "Can I ask what your opinions are of our president?"

"I don't know about impeachment," Mrs. Appl, a 65-year-old retired farmer's wife, said sheepishly. "But if he did lie, there has to be some form of punishment."

As Mr. Moran traveled Wednesday across five counties in the southwestern part of Kansas, conducting one town meeting after the next, something he does regularly, it was clear that something had changed in the previous two days.

Last week, nobody in this Republican stronghold had paid any mind, at least publicly at the town meetings, to President Bill Clinton and Monica Lewinsky. But two days after Mr. Clinton admitted to an improper relationship with Ms. Lewinsky, it was being mentioned and discussed at just about every stop the congressman made in this wheat and corn belt district.

The consensus here, mostly among Republicans, was that Mr. Clinton's speech Monday served not to redeem the president, but to sully him further. Mothers said they worried that the

president had sent out the wrong message to their children. Farmers in overallalls fretted about his effectiveness as a world leader in the midst of this crisis.

Women talked about plummeting values and men about America's integrity. The questions they posed to their congressman amounted to this: Is this what we want our country to stand for?

In a place where a disk jockey Wednesday urged parents to pray for their children as they return to school, residents here reacted without the customary shrill partisanship that often surrounds the issue on television. They leveled few angry words at the president personally, even as some said they believed that Mr. Clinton should resign.

Rather, the concerns centered on how his actions would hurt America and Americans, as they put it. "People out there are laughing at

us," said Cinda Medina, a 38-year-old mother of two who returned to Kansas to raise her children. "I don't think a citizen has pride in America anymore. Now, every time you turn on the television there is a comedian joking about the president."

Larry Holiman, 56, who works in the courts, said he was stumped about how to explain Mr. Clinton's behavior to children. "You tell kids, 'You don't lie, you don't cheat,' and then he turns around and does it," he said. "When you take the highest job in the land, you have to have some morality."

Others said they were disturbed by polls that show most people simply want the story to disappear. It's too late for that now, they said. "I don't think it ought to go away," said Pam Sourk, 50. "I think it ought to be very important. It ought to be investigated."

Without rancor or Republican bravado, Mr. Moran mirrored his constituents' concerns. He bemoaned the repercussions the president's actions would have on public servants, an already maligned bunch with considerable image problems. And he predicted that Congress, while tempted to dodge the politically thorny matter, would have to deal with it seriously and without political gamesmanship.

"It is important for us to be able to believe our elected officials," Mr. Moran said at one town hall meeting, his voice growing hoarse as the day wore on. "Truth and integrity matter."

"This is not politics," he added. "This is about governing a nation. This is not about polls. This is about what makes our country different from other nations. We have to preserve that sense that we are unique."

A few Democrats came up to him after the town meetings, mostly to say they felt the Lewinsky story was tiresome and the charges ludicrous.

"Is there anything in the constitution about sex?" asked Charles Bosley, a farmer, who noted that most of those doing the criticizing were Republicans. By day's end, as Mr. Moran headed back to his hotel after a full day on his "listening tour," as he calls it, it was clear that the president had stirred people up in this part of the country. The driblets and drabs of anxiety over Mr. Clinton that began to bubble in January, when the story first broke, had swelled into profound disappointment, at least for now.

"I just feel bad for the country," said Geneva Hineman, 76, as Mr. Moran prepared to leave a senior citizens center in Dighton. "It has just hurt everything."

A Murder That Mississippi Can't Forget

After 4 Hung Juries, Klansman Faces Accusers Again Over 1966 Firebomb

By Rick Bragg
New York Times Service

HATTIESBURG, Mississippi — In the vernacular of the White Knights of the Ku Klux Klan of Mississippi in the violent 1960s, a "No. 1" was a cross burning, and a "No. 2," a whipping. A "No. 3" was a firebombing, and "No. 4," the most severe punishment of all, was killing. Only the highest-ranking Klansmen could order a No. 3 and No. 4, said Billy Roy Pitts, a foot soldier in the White Knights in the winter of 1965-66.

Sam Bowers was the only man who could order a No. 3 and No. 4 in the White Knights in the state of Mississippi, Mr. Pitts testified here Wednesday in Mr. Bowers' murder trial.

Mr. Bowers, a 73-year-old former Klan leader, is being tried for the fifth time for ordering the death of Vernon Dahmer, a civil rights leader killed by the firebombing of his home on Jan. 10, 1966.

Mr. Pitts, now 54 and serving time for his part in the killing, told the jury that he gathered with other Klansmen that winter in a farmhouse near Laurel, Mississippi, for a special meeting — special because Mr. Bowers, the Imperial Wizard who led the Mississippi White Knights, had come to see them in person, to order Mr. Dahmer's death.

Mr. Pitts testified that Mr. Bowers ordered the murder of Mr. Dahmer because he had worked to register blacks to vote in Forrest County.

Mr. Pitts said Mr. Bowers was visibly angry at the meeting because the Forrest County Klan had been inactive, doing nothing to silence Mr. Dahmer, a respected merchant, farmer and local NAACP official who offered his small store in the Kelly Settlement community outside Hattiesburg as a place where blacks could pay their poll tax.

Mr. Pitts said Mr. Bowers, a businessman in Laurel, later told him: "Don't worry. No jury in the state of Mississippi is going to convict a white man for killing someone black."

Though the information coming out of this trial seems new in 1998, it is hardly so. Mr. Bowers has been on trial in the Dahmer murder four times before, always walking free after deadlocked juries of white males. He did serve time — six years in connection with one of the killings of the three civil rights workers in Neshoba County in 1964 — but no prosecutor has ever successfully linked him to Mr. Dahmer's murder.

As Mr. Bowers sat in the courtroom in his off-white suit, seeming uninterested, another former Klansman, T. Webber Rogers, testified how angry a younger version of the defendant had been on a winter night years before.

"He wanted to know why that job down south hadn't been done," said Mr. Rogers. "He wanted it done, and he wanted it done right. He said it should have been done two weeks ago."

Mr. Rogers said he and other Klansmen took part in what Mr. Bowers called a "dry run," piling into cars and driving past the Dahmer house. Mr. Bowers is not accused of being at the scene. Mr. Rogers said he also did not take part in the actual killing.

But Mr. Pitts admitted to being there.

He told a story he has told before, in trials that led to the convictions of four other men in Mr. Dahmer's murder, of how eight men in two cars, the trunks loaded with shotguns and 12 gallons of gasoline, rumbled toward the Dahmer home.

He said the men stopped at a black cemetery near there and that one of the Klansmen urinated on a grave, followed by others.

He said Mr. Bowers had sent him along as a guard, armed with a pistol, to watch over the others. But as Mr. Dahmer, his body on fire, fired a shotgun over and over from a window to give his wife and children time to escape, Mr. Pitts said he dropped the pistol, unfired.

He said he could hear Mr. Dahmer calling from inside the house. His lungs seared by the flames, Mr. Dahmer died in a hospital 12 hours later.

"A man's life was taken and I was part of it," Mr. Pitts said. "It's something I can't get out of my mind. I wish to God I had never been a part of it."

After serving a short federal sentence for his part in the killing, Mr. Pitts was supposed to serve a life sentence in Mississippi state prison. But, probably because he cooperated in the investigation, he never actually did time in state prison. Mr. Pitts said he was told by authorities he did not have to, but he was never officially pardoned.

In January, The Jackson Clarion-Ledger reported that fact, and Mr. Pitts is now serving that sentence.

Mr. Bowers' lawyer, Travis Buckley, who was indicted himself in the Dahmer case three decades ago but later cleared of all charges, has argued that his client is the victim of a federal conspiracy.

He asked Mr. Pitts if the federal government gave him money for his girlfriend in the 1960s. Mr. Pitts was married at the time.

Mr. Pitts said federal investigators did give him about \$8,000 over time — informants are often paid money — but that money went to his wife and children, not his mistress.



Billy Roy Pitts, a former member of the Ku Klux Klan now in prison for his role in the 1966 murder of Vernon Dahmer, entering court to testify that the killing was ordered by a former Klan leader, Sam Bowers.

Boston Paper Forces Columnist Out Over Fishy Story

By Howard Kurtz
and Pamela Ferdinand
Washington Post Service

BOSTON — Mike Barnicle, the Boston Globe columnist who was suspected early this month, then asked to resign, then reinstated, was forced to quit after his editors could not substantiate a 1995 column about two children hospitalized with cancer.

The Globe acted Wednesday after Kenneth Tomlinson, a retired editor of the Reader's Digest and a former director of the Voice of America, alerted the paper to the column, which Mr. Tomlinson had wanted to reprint until he found that his fact-checkers could not confirm the existence of the children.

Mr. Tomlinson, the father of a child who had cancer, also provided a copy to The Washington Post, saying doubts about its authenticity had long nagged him.

The editor of the Globe, Matthew Stornin, said: "Basically, this was a sufficient violation of journalistic ethics to merit ending his career here. In this case, the punishment did fit the crime."

Mr. Barnicle, who is 54, said in a statement to the Boston television station WCVB, where he also works as a commentator, that his resignation was "the best thing for the paper."

Mr. Tomlinson said that he called Mr. Stornin after deciding to write about the 1995 column for the Weekly Standard, a conservative magazine published in Washington.

"It always remained with me," he said. "Rarely in my career at the Reader's Digest have I seen a piece of work so fabricated, and it was a piece about a kid dying of cancer. I could never read Barnicle with the same attitude."

Mr. Barnicle's removal also came as Dan Kennedy, a reporter for the weekly

Boston Phoenix, was preparing to publish a story in which he charged that the columnist "clearly borrowed heavily — lifting exact quotes, complete with idiosyncratic spelling — from A.J. Liebling's 1961 biography of Louisiana political legend Earl Long."

Mr. Stornin said that the Barnicle column, published in 1986, "did not use similar language, but the anecdotes and quotes were identical."

The Globe's newsroom, which had been deeply divided over Mr. Barnicle's reinstatement, cheered when Mr. Stornin announced Mr. Barnicle's resignation late in the afternoon.

In the 1995 column, Mr. Barnicle told of a family whose 9-year-old son was at Children's Hospital here, being treated for cancer. The boy, who was white, became friends with an African-American child in the hospital. After the other child died, the white child's parents gave the African-American child's family \$10,000, according to the column.

Mr. Tomlinson's fact-checker said in a memo that Mr. Barnicle refused to provide any information about the family, which was not named, and that Children's Hospital was unable to verify the account.

Walter Robinson, an assistant managing editor at the Globe, said: "We were concerned enough by what we had been told by Mr. Tomlinson that we wanted to assure ourselves that the column was accurate, that the sources existed."

Mr. Robinson said Mr. Barnicle told him that he heard about the children at a restaurant-bar from a nurse who worked at another hospital and had treated the African-American boy. But Mr. Barnicle did not remember the nurse's name and failed to produce any substantiation, such as the name of a friend who, he said, had accompanied him and met the nurse. Mr. Barnicle also acknowledged that he had never spoken to either set of parents described in the article, according to Mr. Robinson.

The Massachusetts Department of Public Health found no evidence that a 9-year-old African-American boy died of cancer in the state between 1993 and 1995, Mr. Robinson said.

The chairman of the Globe, William Taylor, asked for Mr. Barnicle's resignation in a phone call Wednesday afternoon. Mr. Stornin said that when he confronted Mr. Barnicle, "even the story he told in trying to prove it wasn't good in itself. He admitted right up front that he never talked to the parents. This goes to the core question about how Barnicle was treated over the years."

This sort of checking "should have been done earlier," Mr. Stornin said. Mr. Barnicle came under heightened scrutiny after the Globe accepted the resignation of Patricia Smith, an African-American columnist who acknowledged fabricating parts of four columns.

Critics inside and outside the paper questioned why Ms. Smith had been punished when Mr. Barnicle had been accused of both fabrication and plagiarism over the years.

Welfare Reform Cuts Caseloads In Inner Cities, Data Indicate

By Judith Havemann
Washington Post Service

WASHINGTON — Independent researchers have found the first solid evidence that welfare reform is beginning to work in the nation's largest cities, federal officials announced.

While the welfare rolls have declined by nearly 4 million individuals since President Bill Clinton signed dramatic overhaul legislation two years ago this Saturday, the biggest drops have occurred in rural states and suburban communities.

In Los Angeles, however, home to more welfare recipients than 48 of the 50 states, recipients who were subject to the requirements of reform were far more successful at getting jobs and made significantly more money than recipients who were not, according to the Manpower Research Corp., a noted New York research group.

The researchers found that 43 percent of poor families

who were required to participate in the city's new welfare reform program got jobs, while only 32 percent of families randomly selected to remain in the traditional welfare program did. This represents an increase of one-third over the old welfare program.

The typical welfare family subject to the reform initiatives earned \$1,286 in the first six months of the program, while "control group" families earned \$879, a difference of 46 percent. The study covered a period from 1996 to 1997.

Up to now, many of the early results from welfare reform have been attributed to the robust economy and to "creaming" — the tendency for the most able and well-educated recipients to leave the rolls on their own and get jobs without much state intervention.

But Los Angeles provides the first hard evidence that welfare reform is beginning to touch the inner city, where many of the most disadvantaged recipients are clustered.

CROSSWORD

ACROSS

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5 1982 World Cup site
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15 Bloodline
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17 Bargain establishment
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22 Auto pioneer
23 Fast stopper
24 Creed essentially

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45 White House's Room
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ACROSS

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5 Solomonite
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8 Twosome
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10 Tution classification
11 Destruction of the Bounty
12 Li
13 Dream
14 Wait at the light

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CHASER THE CHASTE
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REO SUE SNL
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DOER ROADS FRET
LEIA RAN TIPS
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AMY CAR RAI
NOW USES KNOTTS
QUESTED THE QUEST
IRATE GEER TRAY
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QUEBEC: Secession Restraint

Continued from Page 1

for its reaffirmation of the right of all people to self-determination.

The decision had been heralded as the most important ever issued by the court, which maintains a much lower profile in the Canadian scheme of government than the U.S. Supreme Court.

"What the court said today is that secession is possible, but it will have to be accomplished through a long and difficult negotiation process," said Christopher Manfredi, a constitutional scholar at McGill University in Montreal.

"It's a very Canadian compromise," added Monique Jerome-Forget, president of the Institute for Research on Public Policy, a Montreal organization that has been trying to forge a compromise on the Quebec separatist issue. "The court said that neither side can have it all."

The court itself made clear that it was rejecting "two absolutist propositions": namely, that provinces have an absolute right to secede or they have no right to secede. But even in declaring that the Quebec question would have to be resolved as a political rather than a legal matter, the judges conceded that they were leaving a number of key questions unanswered.

These include a studied vagueness on exactly what would constitute a "clear majority on a clear question" by Quebec voters in some future secession referendum. While separatist politicians have long argued that a simple majority vote would suffice, the court suggested that some deference might be required to the province's native populations.

Even if Quebec voters were to vote clearly for secession and trigger negotiation with the rest of Canada, the court did not say what would happen if the negotiations reached an impasse, as they have repeatedly in the past.

"We need not speculate here as to what would then transpire," the court said.



Mike Barnicle, who was forced to resign as a Boston Globe columnist.

The chairman of the Globe, William Taylor, asked for Mr. Barnicle's resignation in a phone call Wednesday afternoon. Mr. Stornin said that when he confronted Mr. Barnicle, "even the story he told in trying to prove it wasn't good in itself. He admitted right up front that he never talked to the parents. This goes to the core question about how Barnicle was treated over the years."

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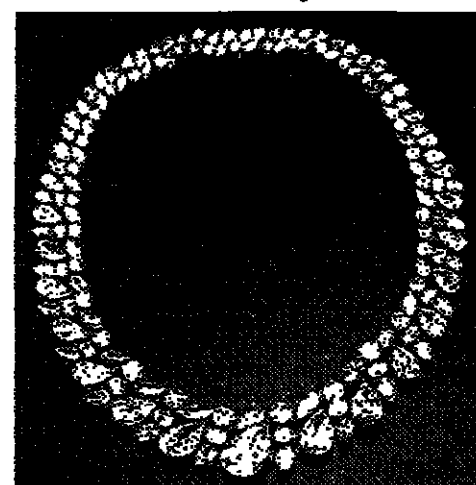


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The Fight Goes On / 'An Opportunity Lost'

Anger Reverberates From Clinton Supporters: He 'Blew It' in TV Speech

By Dan Balz
Washington Post Service

WASHINGTON — President Bill Clinton's speech on the Monica Lewinsky crisis is increasingly seen by Democrats as a political failure, and it has unleashed a torrent of anger among some of the president's most loyal supporters and created problems no one at the White House anticipated.

"It's not only opportunity lost, it's additional troubles gained," a former

administration official said. "If one of your goals has to be to bring this to closure in some reasonable time frame, the opportunity was there Monday night and was lost."

The list of problems includes an emboldened Republican Party determined to see the investigation through to the end; a Democratic Party for now deflated and demoralized by a Clinton performance that fell far short of expectations; editorial opinion from newspapers across the country that has been ex-

remely harsh in condemning Mr. Clinton's speech, a White House staff whose credibility has been compromised for the battles ahead and the threat of further problems from the independent counsel, Kenneth Starr, whose investigation is now in its final stages.

Some Democrats on Wednesday attributed part of the underwhelming public response from Capitol Hill to the fact that most lawmakers are on vacation or in their home states and have not felt the need to say much. These lawmakers,

they said, will be testing opinion at home and if Mr. Clinton's approval ratings remain strong — as they have so far this week — Democrats will quickly rally behind him.

They also predicted that, unless Mr. Starr's report provides convincing evidence of obstruction of justice by the president, that many lawmakers will call for the House to take no action against the president, if for no other reason than to show a united front in the midterm elections. "If it's about sex, they're free

to condemn it," one Democratic strategist said.

But a former administration official said the principal reason Democrats have reacted the way they have is that they have been burned before by Mr. Clinton and worry about what lies ahead. "They're not sure everything is out," he said. "They don't believe there's been this purging process. They're afraid."

A congressional Democrat said, "Members were lied to for seven months and are not happy about it."

Democrats say they fear the president's speech makes it more likely that the Starr investigation will overwhelm any other message they hope to deliver during the autumn campaign — the opposite of what they had hoped and the White House intended.

As the White House scrambled for advice on how to contain the damaging fallout from the nationally televised address, another prominent Democrat complained about Mr. Clinton's performance. Senator Daniel Patrick Moynihan of New York called the speech "not adequate" because Mr. Clinton had failed to apologize for his relationship with Ms. Lewinsky and because he had attacked Mr. Starr. "What were we doing hearing about the special prosecutor?" Mr. Moynihan said in a radio interview.

Mr. Moynihan's comments came a day after such Democrats as Senator Thomas Daschle of South Dakota, the minority leader; Representative Richard Gephardt of Missouri, the House minority leader; and Senator Dianne Feinstein of California registered their disapproval of what Mr. Clinton did with Ms. Lewinsky or how he explained it Monday night. That same day, Representative Paul McClellan, Democrat of Pennsylvania, urged Mr. Clinton to resign.

With some exceptions, such as Senator Tom Harkin of Iowa and Representative Barney Frank of Massachusetts, who have been steadfast in their defense of Mr. Clinton, Democratic lawmakers have been tentative to defensive in their assessments of Mr. Clinton's speech, while expressing clear disapproval of his relationship with Ms. Lewinsky.

Many Democrats have issued written statements, and the few who have ventured onto national television to try to defend Mr. Clinton have made comments critical of him as well. One of those was Representative Vic Fazio of California, who spoke with Mr. Clinton after the president's speech Monday.

On CNN, Mr. Fazio said, "I'm not disappointed" with Mr. Clinton's speech and said further pursuit of the investigation by the independent counsel represented "a kind of partisan vendetta." But Mr. Fazio also said he was "disappointed in my president" and frustrated that the issue had diverted attention from issues Democrats hope to use in their autumn campaigns.

The political reaction to the president's speech was far different than anything White House officials anticipated. With overnight polls showing Mr. Clinton's approval rating holding strong and reports from focus groups showing a good response to what Mr. Clinton had to say, they were caught off guard by the response from Capitol Hill.

Most Republican leaders, including the House speaker, Newt Gingrich of Georgia, have cautioned colleagues not to speak of impeachment lest they appear to be prejudging Mr. Starr's report to Congress. Most Americans still oppose impeachment, polls show. But Mr. Gingrich and other leaders have not objected to calls for Mr. Clinton to resign.

Some members have begun floating the possibility of issuing a censure or reprimand against Mr. Clinton for his conduct. "Republicans are discussing it as a possibility," a Democratic congressional source said.

Other lawmakers may resist such a move. Lindsey Graham, Republican of South Carolina, a member of the House Judiciary Committee, said his panel should decide to either investigate the charges in Mr. Starr's report as part of an impeachment inquiry or drop the matter altogether. "I don't think Congress has a role in spanking the president," Mr. Graham said.

But even as they largely held their fire against Mr. Clinton himself, Republicans were calculating how his difficulties might affect the upcoming congressional elections. In remarks to a crowd of supporters in suburban Atlanta, Mr. Gingrich said the Republican Party would benefit in November because Democrats would not turn out to vote. The Associated Press reported.

"When things happen that make one side's partisans unhappy," he said, "they stay home. When they stay home, they stay home for the whole ticket."

Friends of the administration expressed anger that Mr. Clinton had allowed his resentment of Mr. Starr's overture a White House political team, skilled in crisis management, that wanted more contrition and less defiance.

"Closure wasn't achieved and some new troubles were unearthed," a former senior official said, "because he rejected the advice of people who have been loyal and protective of him successfully for six years and are some of the best at this stuff in the history of the presidency."

Others simply said Mr. Clinton failed himself at one of the most critical moments of his presidency.

"Everybody was certain he would rise to the occasion, and for the first time he didn't do it," one former administration official said.

Said another veteran of Mr. Clinton's first term: "Everybody agrees he blew it. He could have killed this in January or he could have killed it on Monday, and he didn't do it either time."

Rogue Democrat Defends His Stance

By Kevin Sack
New York Times Service

WASHINGTON — In his six years in Congress, Representative Paul McClellan developed a reputation as a straight-shooting former marine who allows himself the occasional indulgence of a dramatic gesture.

On Tuesday, the Democrat from Bethlehem, Pennsylvania, was more dramatic than usual when he became the first, and only, member of Congress from his party to call for President Bill Clinton to resign or face impeachment.

In an interview Wednesday in his office, which is decorated with a gleaming saber and other mementoes from his service in the Marine Corps, Mr. McClellan explained that he took his stand reluctantly after concluding that it would set an "awful precedent" to allow a public official to remain in office after lying under oath.

Because he is retiring this year after three terms in the House, Mr. McClellan has a degree of political liberty not enjoyed by incumbents running for re-election. He has taken quixotic stands for political effect in the past, like his call to reduce the number of House members

by a third to make debate more meaningful.

Some Democrats said privately Wednesday that Mr. McClellan's comments may have been influenced by disappointment that he was not the Clinton administration's choice to become secretary of the navy, a charge that Mr. McClellan vehemently denied.

But as a critic of the president, he also speaks with credibility because he supported Mr. Clinton enthusiastically in both the 1992 and 1996 elections and then voted to support Mr. Clinton's positions about 75 percent of the time in the House, according to ratings by Congressional Quarterly.

His only significant policy feud with Mr. Clinton came three years ago when he opposed the deployment of U.S. troops to Bosnia.

His district office in Bethlehem is festooned with photographs of the president.

"I have absolutely no personal animosity toward the president," said Mr. McClellan, a 48-year-old veteran of the Gulf War.

"I am someone who believes that the president is a man of enormous talent, genuine love of country, but who pos-

sesses some tragic and equally large flaws," Mr. McClellan, a lawyer who is regarded as a political centrist, said that Mr. Clinton's admitted "inappropriate" relationship with Monica Lewinsky, a former White House intern, was "predatory and repugnant."

But he said his call for the president's resignation was based on legal concerns, not moral ones.

"If we are to successfully pursue justice in our courts, it is essential that witnesses feel a personal profound obligation to tell the truth," he said. "Otherwise we might as well return to litigation by combat. I think the president breached that responsibility and if he is not held accountable we establish a precedent that may encourage some future president, someone more inclined to abuse power than President Clinton, to once again violate a judicial oath to tell the truth."

In a deposition taken in January, Mr. Clinton denied under oath that he had had a sexual relationship with Ms. Lewinsky. But he acknowledged such a relationship to a federal grand jury on Monday, although he maintained that his previous testimony had been "legally accurate."



Mr. McClellan pondering the Clinton situation in his Washington office.

Mr. McClellan acknowledged that few other Democrats were likely to join him in his criticism of Mr. Clinton. But most Democrats, he said, would agree with his principles.

"I think that if a Republican president had engaged in the very type of misconduct in which President Clinton apparently engaged, members of the

Democratic caucus would be voicing precisely my arguments with great passion," he said. "We would not have accepted this from Richard Nixon."

Mr. McClellan said he was worried that public disgust over the Clinton scandal would depress voter turnout in the fall, increasing the chances that a Republican would win in his 15th District.

Gore Linked to Illegal-Fund Memo

Notes Said to Report Talk on Diverting Party Money to Campaign

By David Johnston
New York Times Service

WASHINGTON — Justice Department investigators have obtained a November 1995 White House memorandum with handwritten notations that appear to contradict Vice President Al Gore's account of his fund-raising phone calls during President Bill Clinton's re-election campaign, according to government officials.

The notations indicate that at a meeting Nov. 21, 1995, Mr. Gore and several campaign officials discussed how some of the large contributions being raised by the vice president for use only for general campaign purposes by the Democratic Party would be diverted to accounts to directly finance the Clinton-Gore re-election effort, the officials said.

The sources would not provide the notations on the memorandum, which they said had been written by an unidentified senior aide to the vice president. The officials said that the notes were not conclusive evidence of what the vice president knew about fund-raising activities and they did not provide details of the discussion between Mr. Gore and others at the meeting.

Attorney General Janet Reno has said that telephone solicitations for hard money by the president or vice president were subject to federal campaign fi-

nance laws and could be illegal.

She absolved Mr. Gore in December of wrongdoing on the issue of the phone calls, based on what she said was the absence of evidence that he had raised funds for the campaign.

The issue of the vice president's fund-raising telephone calls is significant because it has emerged as a focal point of debate at the Justice Department in recent weeks, after Ms. Reno decided to reconsider whether to seek the appointment of an independent prosecutor to investigate fund-raising abuses during Mr. Clinton's re-election campaign, the officials said.

A spokesman for Mr. Gore declined to comment on the issue Wednesday.

At the Justice Department, the officials said Attorney General Reno's advisers were divided about the significance of the notations on the Gore memo. Some said they doubted that the memo — by itself — would lead to the appointment of an independent prosecutor.

But the document, along with a long confidential report sent to Ms. Reno in late July by the former head of her campaign finance unit, has re-energized the Justice Department debate about referring the case to an independent prosecutor.

That report, written by Charles La Bella, who last month returned to his prosecutorial job in San Diego, urged

Ms. Reno to send the case to an independent prosecutor. He based his conclusions on a review of the massive array of evidence collected during the Justice Department's criminal grand jury inquiry.

At the beginning of the month, Ms. Reno opened a formal 30-day review of Mr. Gore's phone calls, the first step toward deciding again whether to seek an independent counsel.

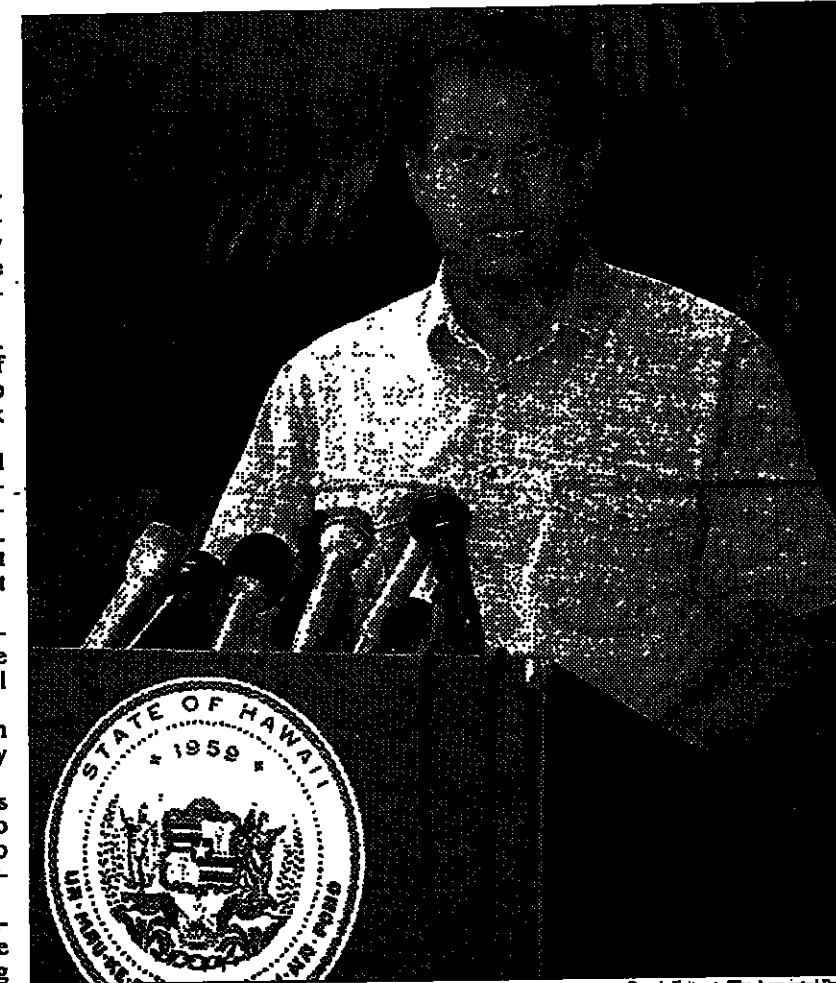
Under the statute, Ms. Reno has until the end of the month to extend the investigation by ordering a 90-day preliminary inquiry into the phone calls. After that investigation, Ms. Reno must decide whether to seek an independent prosecutor.

But so far, the officials said, the attorney general has been unable to decide whether to advance the Gore phone call issue to the 90-day review.

Ms. Reno's efforts to reach a decision are said by officials to be painfully labored, even by her slow standards.

Mr. Gore has said he believed his solicitations were lawful and intended to raise what is known as "soft money" to be used only for general party purposes.

Several high-level Democratic National Committee officials attended the November 1995 meeting, including Donald Fowler, the committee chairman, and Marvin Rosen, the finance chairman.



Vice President Al Gore, according to documents, met with his aides in 1995 to discuss making use of donations made to the Democratic Party.

Lewinsky Testifies 'Truthfully and Completely' to Grand Jury

By Brian Knowlton
International Herald Tribune

WASHINGTON — President Bill Clinton's surprise announcement Thursday of U.S. military strikes against suspected terrorist bases abroad dramatically wrested attention from a return visit to the grand jury by Monica Lewinsky.

Mr. Clinton had been in seclusion on the Massachusetts resort island of Martha's Vineyard since arriving there Tuesday after testifying a day earlier before the grand jury investigating the sex-and-perjury allegations.

But he interrupted his vacation to make a brief but dramatic announcement, at a school on the island, of the strikes against alleged terrorist bases, before returning to Washington for a full briefing by national security aides.

Mr. Clinton spoke to the nation from the Oval Office later Thursday.

While his critics normally might be expected to rally behind the president during a moment of foreign crisis, it was clear that some would not.

During a Pentagon briefing, Defense Secretary William Cohen was asked whether the president might have ordered the strikes to shift attention from domestic problems. He responded bluntly that the only motivation for the attack was to prevent future terrorist attacks such as those in Africa.

Ms. Lewinsky was expected to face detailed questioning Thursday about reported inconsistencies between her earlier testimony and Mr. Clinton's on the exact nature of their sexual relationship. The Washington Post reported that there were conflicts between Ms. Lewinsky's grand jury testimony and Mr. Clinton's about the nature of their relationship and the circumstances around her return of gifts from the president.

The former White House intern, wearing a light gray suit, showed no emotion as she entered the federal courthouse quickly and without comment.

"She answered all questions truthfully and completely," her spokeswoman, Judy Smith, said after Ms. Lewinsky

finished her testimony. "Ms. Lewinsky is now looking forward to beginning the process of rebuilding her life."

Ms. Lewinsky expected her appearance before the grand jury to be her last but "will continue of course as necessary to fulfill her obligations to the Office of Independent Counsel," Ms. Smith said. She would not discuss what Ms. Lewinsky said before the grand jury.

By several accounts, Ms. Lewinsky felt hurt and embittered by Mr. Clinton's comments in a televised address Monday because she spoke of the relationship dismissively and failed to address the pain she and her family had endured.

As the grand jury investigation moves nearer a conclusion, the independent counsel's office has been furnished a sample of the president's DNA, probably blood or hair, reports said. The request, made before Mr. Clinton's testimony Monday, appeared to indicate that the FBI laboratory that examined a dress owned by Ms. Lewinsky had found evidence of a sexual encounter and wanted a DNA sample for comparison.

As debate continued among Mr. Clinton's closest advisers about how he should respond to the scandal — particularly to criticism from some political allies and

newspaper editorial writers — the president received an unexpected but welcome bit of help. Newt Gingrich, the speaker of the House, told a business group that it was time for the news media to limit their coverage of the Lewinsky affair.

"I have a message for the news media, and I mean this very seriously," the Georgia Republican said in Atlanta.

"The editors and publishers and producers of this country ought to put themselves on a diet to not spend more than 20 percent of their time on the scandal."

Mr. Gingrich, who as speaker comes only after Vice President Al Gore in the presidential line of succession, did not mention Mr. Clinton or Ms. Lewinsky by name but his focus was clear.

"I have a very simple proposal," he said, "and that is to allow Judge Starr to finish his work and give his report to Congress, allow Chairman Henry Hyde to take that report to the Judiciary Committee and allow them to do their jobs while we go on to work on the nation's business."

Mr. Hyde, a Republican of Illinois, chairs the House Judiciary Committee.

With sharp criticism of Mr. Clinton continuing on the nation's editorial pages, some aides were said to be pressing him to offer new, more persuasive, words of con-

trition to the public, shorn of the attack on the special counsel, Kenneth Starr, that left many Republicans furious and many Clinton supporters disappointed. "If the president wants this to be over," a senior presidential aide told the Los Angeles Times, "he has to act like it and not look like he's continuing a war with Starr."

Meanwhile, the fact that Mr. Starr had requested the presidential DNA sample raised questions about exactly what his office hoped to prove, now that Mr. Clinton has acknowledged an improper relationship with Ms. Lewinsky.

Analysts surmised that he might want concrete evidence to underpin his expected report to Congress on possibly impeachable offenses, which could include a charge of perjury. On Jan. 17, Mr. Clinton denied under oath having a sexual relationship with Ms. Lewinsky. He was being questioned by attorneys in the Paula Jones sexual harassment case.

It was also possible that Mr. Starr might hope for evidence from the dress to contradict Mr. Clinton's alleged assertion that the two had had only oral sex.

The president's DNA sample apparently was obtained from blood or hair tissue stored at the Bethesda Naval Hospital in Maryland, where

he goes for regular health checkups.

The importance of the dress and of Ms. Lewinsky's testimony Thursday appeared to hinge on efforts by Mr. Starr to prove that Mr. Clinton lied, and perhaps committed perjury, when he told lawyers for Mrs. Jones in January that he had never had sex with Ms. Lewinsky.

Mr. Clinton, who apparently relied on a very narrow definition, said Monday that he was "legally accurate" but not entirely forthcoming in making that assertion.

In his grand jury testimony, according to The Washington Post, he admitted that he had received oral sex from Ms. Lewinsky, but according to his advisers he did not believe that was included in the definition Mrs. Jones's lawyers offered of "sexual relations."

But The New York Times quoted an unidentified Clinton adviser as saying that the president had avoided acknowledging that he had had oral sex or any other specific type of sexual contact with Ms. Lewinsky, but instead said over and over, "I've already said that it was improper."

Ms. Lewinsky, The Post reported, testified that not only did the two engage in oral sex but also in intimate touching that would have been covered by the Jones definition.

Republicans Open Ad Campaign Using Clinton-Lewinsky Scandal

BRIEFLY

WASHINGTON — The first Republican campaign ad seeking to capitalize on the Monica Lewinsky investigation and other White House scandals has hit the airwaves.

Dan Page, a North Carolina state senator trying to unseat Representative Bobby Etheridge, a Democrat, is using the commercial to tie his opponent to President Bill Clinton and the array of allegations against the administration.

"Scandal after scandal, day after day," the ad says, which shows a Newsweek cover featuring Mr. Clinton and Miss Lewinsky. "And who stands with Bill Clinton even now? Liberal Bob Etheridge."

Etheridge gives Bill Clinton a standing ovation. Applauding Clinton's values, not ours."

The ad concludes, "Dan Page believes character counts and morality matters."

The Page ad has one problem. It features a series of banner headlines crudely superimposed under the logos of USA Today, The Washington Post, The Wall Street Journal and The New York Times. The headlines are not in the newspapers' type faces, and two USA Today headlines were taken from letters to the ed-

itor. A Page consultant denied that the ad was misleading.

The independent counsel Kenneth Starr won an important court victory Wednesday — but not one involving Mr. Clinton.

A federal appeals court handed Mr. Starr a 3-0 decision in a \$400 million legal dispute between Meineke Discount Muffler Shops — Mr. Starr's client — and a group of its franchisees, who claim the company defrauded them. (WP)

A small change in the wording of a poll question by The Gallup Organization led to a significant overstatement

of the drop in Mr. Clinton's personal favorability rating after his speech on Monday.

Instead of a 20-point drop in the personal rating, reported by Gallup and picked up by several news organizations, the actual drop now appears to be considerably less.

On Monday's survey, taken after the president's speech, respondents were asked: "Now thinking about Bill Clinton as a person, do you have a favorable or unfavorable opinion of him?"

Monday's survey elicited responses that were 40 percent favorable and 48 percent unfavorable.

In previous Gallup polls, the wording was: "Now I'd like to get your opinion about some people in the news. As I read the name, please say if you have a favorable or unfavorable opinion of this person."

The traditional wording last week had found views of Mr. Clinton that were 60 percent favorable and 38 percent unfavorable. Thus, it appeared on Monday that there had been a 20-percentage point drop in Clinton's personal ratings.

In a poll on Tuesday, Gallup, using its traditional wording, measured views that were 53 percent favorable against 42 percent unfavorable. (NYT)

EUROPE

30 Years Later, Czechs Still Feel Bewildered and Betrayed by Invasion

By Peter Finn
Washington Post Service

PRAGUE — Thirty years ago, two Communist leaders were on the telephone — with the Soviet secret police recording every word — and one of them, Leonid Brezhnev, the Soviet party chief, was steaming mad.

The Prague Spring liberalization of 1968 was in full bloom, and in the new openness someone in the Czechoslovak press had dared to call Mr. Brezhnev a "Stalinist."

"And what, I might ask, do you say



Stunned Czechs gathered early Aug. 21 after the invaders arrived.

about this?" Mr. Brezhnev fumed at Alexander Dubcek, first secretary of the Czechoslovak party.

Mr. Dubcek, according to the transcript, kept silent.

On the night of Aug. 20 that year, the Russians and Warsaw Pact allies invaded Czechoslovakia to crush democratic reforms.

After communism began to collapse at the end of the 1980s, a trove of historical documents gradually emerged from the secret archives in Moscow and other capitals of the former Soviet bloc.

To mark the 30th anniversary of the invasion of Czechoslovakia, selections of the most critical and fascinating documents relating to the Prague reforms and the crushing of the Dubcek regime have been collected and translated into English, many for the first time.

"Our knowledge is deepening and extending," said Jaromir Navratil, 72, chief editor of the collection, which is being published in the United States by the Central European University Press and the private, Washington-based National Security Archive.

The documents first surfaced through the Czechoslovak Government Commission for Analysis of the Events of 1967-70, which was created in 1989, after communism fell in Prague, to hunt down documents across Europe.

In all, 140 key documents, culled from 140,000, are being published this month and they include memoirs, minutes of meetings, cablegrams, private letters and transcripts of dis-

cussions among figures in the drama on both sides of the Cold War divide.

As understanding of the events of 1968 is constantly enriched by the archival digging of historians like Mr. Navratil, there is a curious factor at work in this city, where it all started.

The Prague Spring was a dramatic time when a reformist Communist leadership ushered in economic liberalization, allowed free speech and raised the possibility, at least, of a democratic society.

Then, overnight, the liberal movement was crushed by the Russians and their allies.

Three decades later, the event is being recalled here mostly with a shrug, if at all.

To be sure, there is a three-part series on Czech television. There are a few photographic exhibits around town and on Friday there will be a memorial mass and a commemoration for those killed by the invading armies of the Soviet Union, backed by units from other Communist neighbors.

But few Czechs are stopping to dwell on the past.

The Czech polling agency Rendula this week asked 1,421 teenagers between the ages of 14 and 18 what the words "August 1968" meant to them, and 43 percent said, "Nothing."

One in four did not even know that something historic occurred in 1968. The lack of knowledge among the young finds a parallel in the apathy of their elders.

"Some people think 1968, the

Prague Spring, wasn't anything deeper than a fight inside the Communist Party so why care about it," said Jaroslav Veis, former editor of the political weekly Tyden and now an adviser to the Czech Senate leader, Petr Pithart.

"Any good or positive memory of the Communist Party today is unpopular," said Karel Srp, a former dissident who is holding an exhibition on 1968 in a Prague park.

Ian Urbán, publisher of the Prague-based monthly Transitions, said people were not avoiding the memory of the Prague Spring so much as bad memories of the invasion's aftermath.

Czech society not only acquiesced to the most oppressive and sterile form of communism, he said, but even replenished the purged ranks of the Communist Party.

"You can be defeated and maintain honor and societal ties but nothing like that was preserved here," Mr. Urban said.

"Humiliation prevents us from looking back. Why, after '68, why after the purges when everything was clear to everybody, why was the party able to get its membership back?"

"Everyone is a newly born anti-Communist today, so who wants to remember support for communism?"

Mr. Navratil is more hopeful and notes that however muted the commemorations this week may seem, there is much more interest in 1968 now than five years ago, when the 25th anniversary of the invasion was largely ignored.



Soviet tank crews in central Prague were startled by the Czechs' anger.

"I would say the cliché about Czechs not being interested in the past is not true," Mr. Navratil said.

He served as an adviser in 1968 and then, ousted after the invasion, spent 20 years as an ordinary laborer.

Insight Into Communism

President Vaclav Havel said on the eve of the 30th anniversary of the Soviet-led invasion of Czechoslovakia

that it taught the world about the true nature of communism, Reuters reported Thursday from Prague.

He said it reflected a deep cultural and spiritual crisis in society.

Separately, Walt Rostow, a former adviser to President Lyndon Johnson, revealed Thursday that the Prague leaders asked Washington not to intervene in any invasion, Agence France-Press reported from Bratislava.

Europe's Intellectuals Write Off Kohl as Spent Force

By Craig R. Whitney
New York Times Service

BERLIN — You know that Chancellor Helmut Kohl must be in trouble when even European intellectuals who say they admire him come to Berlin for an opposition campaign rally proclaiming the end of an era.

"We need a kind of European new deal in all of Europe," said Jack Lang, a French Socialist and former culture minister who saw no contradiction between his admiration for the chancellor and the prevailing opinion at the proceedings Wednesday.

The opinion was that Mr. Kohl and his conservative government were thoroughly burned out after 16 years in office and that it was past time for a change — an opinion shared, needless to say, by the Social Democratic can-

didate running against the chancellor in the Sept. 27 elections, Gerhard Schröder, who listened quietly and applauded from time to time.

"I have the greatest respect for Chancellor Kohl and for his historic accomplishment in the unification of Germany and the construction of Europe," Mr. Lang said, "and I have not forgotten that he was a loyal and affectionate friend of the late President Francois Mitterrand, to whom I was very close."

But he added, "We feel the moment has come, now or never, and not only in Germany, to give new vitality to this Europe that was born after World War II."

Mr. Kohl has never counted the German intellectual community among his most fervent supporters, but one of his aides, Minister of State Anton Pfeifer,

publicly protested the plans for the opposition rally Wednesday and accused Mr. Schröder, whose lead in public opinion polls has narrowed in recent weeks, of trying to grab power through culture.

Not everybody who was present saw their presence as a campaign endorsement. "I'm not taking sides in this election; I couldn't," said Elie Wiesel, who came with a prepared speech titled "To a Young German Friend."

"Just being here, of course, has some implications," he said, before the company moved from Willy Brandt House, a Social Democratic headquarters in the western part of Berlin, to Bertolt Brecht's old theater, the Berliner Ensemble, in the eastern part, for the evening.

"Like many of us, I came here carried by hope," Mr. Wiesel, a survivor of the Nazi concentration camps who has writ-

ten and spoken eloquently about the Holocaust, said in his prepared remarks.

His hope, he said, was "rooted in a desire to act on history so that the next century be placed under the sign of human solidarity instead of violence," a sentiment that Mr. Kohl has often expressed himself.

With a few exceptions, such as the writer Guenter Grass, who was not here Wednesday, neither German nor other European intellectuals mobilized very visibly for Mr. Kohl's opponent in the last elections four years ago.

What was different this time, some of them said, was the sense that Mr. Kohl's ideas about building Europe by forming a common market and laying the foundations for a common currency, the euro, to be introduced Jan. 1, had taken Germany about as far as they could.

Now, in the view of many here, it was time for something else.

"We can't just talk about the euro or an economic Europe," said Klaus Stack, a well-known poster artist whose Action for More Democracy group organized the gathering. "One era is ending, and a new one is about to begin."

If the election were held this week, according to a poll by the Allensbach Institute published Wednesday in the daily Frankfurter Allgemeine Zeitung, the Social Democrats and the Greens, with 43.6 percent and 7.5 percent respectively, would have enough votes in Parliament to form a government and relegate the Christian Democrats and the Free Democrats to opposition status. Mr. Kohl's party was favored by 36.4 percent of those surveyed.

Not all polls show the Christian Democrats so far behind. But none so far have given Mr. Kohl much chance of pulling his party ahead of the opposition in the month remaining before the election.

The last Social Democratic chancellor was Mr. Brandt's successor, Helmut Schmidt, who was forced out in 1982 when the small Free Democratic Party changed sides and joined forces with Mr. Kohl's Christian Democrats.

Some intellectuals warned Wednesday against seeing the vote next month as an ideological choice. "If we want to build Europe, we will need to try to separate the left from socialism," said Bernard-Henri Levy, a French writer and philosopher.

BOOKS

ACHESON

The Secretary of State Who Created the American World

By James Chace. Illustrated. 512 pages. \$30. Simon & Schuster.

Reviewed by Richard Bernstein

THE year was 1950, and Washington, caught up in the terrors of McCarthyism, was not a generous or forgiving place. Alger Hiss, a former State Department official who denied furnishing official documents to the Soviet Union, had been convicted of perjury because of that denial, and his former senior colleague, Dean Acheson, had publicly announced that he would not turn his back on the convicted man.

Acheson was brought before a Senate committee to "clarify" his statement about Hiss, and he had this to say: "The safe course is to avoid situations which are disagreeable and dangerous. Such a course might get one by the issue of the moment, but it has bitter and evil consequences. In the long days and years which stretch beyond that moment of decision, one must live with one's self. . . . It is not merely a question of peace of mind, although that is vital; it is a matter of integrity of character."

Whatever you might think about Acheson's reluctance to turn publicly against Hiss, his statement before the censorious senators has a marvelously square, almost fussy kind of rectitude about it. It seems to come from a different age. But James Chace's theory in this sure-handed and readable biography of Dean Acheson, secretary of state from 1949 to 1953, is that Acheson forged the international order as we know it today, even if by now he seems, stylistically and rhetorically, to be no longer a part of it.

Chace, a former editor of Foreign Affairs who now teaches at Bard College, has written a biography that also provides a useful, clear history of the major events of the postwar world that Acheson helped to shape — from the creation of the Bretton Woods international monetary system and of NATO to the decision to wage the Korean War in 1950.

This is not a book of startling new insights or challenges to the accepted wisdom about a period that has been much written about by numerous authors and memoirists, including Acheson himself. But, like Acheson, Chace is a man of good judgment and broad knowledge. His focus on Acheson provides a clear window on the problems the United States faced in the postwar world and the reasoning behind the decisions that were made.

Acheson, despite his starchy, upper-crust image, was, as Chace puts it, "not an American patrician." He was born in Middletown, Connecticut, in 1893. His father was an Episcopal clergyman of a nonconformist but detached disposition; his warmer mother came from a prosperous family of English millers and distillers. After Yale and Harvard Law School, Acheson served as a law clerk for Supreme Court Justice Louis Brandeis; spent a few prosperous years in the law firm of Covington & Burling and, when Franklin D. Roosevelt became president in 1933, began his career in government as undersecretary of the Treasury.

When war broke out in Europe in 1939, Acheson quickly became "fully and openly committed to the cause of aiding the Allies." He seems instinctively to have understood, as Chace puts it, "that the United States would have to learn new ways of exercising power, both in the present conflict and in the postwar world." When the postwar world did come, Acheson was at first accomod-

ationist toward the Soviet Union. He favored sharing the secret of atomic energy (though not the actual engineering know-how) with the Russians, believing that to do otherwise would provide "unanswerable evidence of an Anglo-American combination against them."

But Acheson altered his view of the Soviets, turning from moderate softness to moderate hardness. The major event in the transformation, in Chace's account, was the clumsy Soviet effort in 1946 to intimidate Turkey into effectively turning over control of the Bosphorus to Moscow. Acheson, Chace writes, played an eloquent role at a crucial meeting with President Harry Truman, arguing the case for an assertive U.S. role in combating what Acheson had come to see as a threat to freedom everywhere. He was, in short, an architect of containment, a pioneering strategist of the Cold War.

As secretary of state, Acheson, in Chace's approving portrait, struggled to steer a course among distracting impulses: isolationism, anti-communist hysteria, the intrusions of domestic politics. In late 1950, after the devastating Chinese intervention in Korea, Republicans in the Senate and the House passed resolutions to the effect that "Acheson had lost the confidence of the country and should be removed from office." Despite the attacks, Chace describes Acheson whistling cheerfully to himself as he listened to the daily radio diatribes again him.

This is a book about public life, and particularly about a figure of clear vision and strong character who managed to support mostly the right policies when other policies were being proposed. One can't help coming away feeling that Americans were lucky to have had Acheson around when they needed him.

New York Times Service

BRIDGE

By Alan Truscott

THE deal shown in the diagram was perhaps the oddest of the American Contract Bridge League's Summer Nationals in Chicago early this month. It occurred at a crucial point in the semifinal of the Spingold Knock-out Teams.

Going into the final 16 deals, the third-seeded team, led by Richard Schwartz of Flushing, New York, had what appeared to be a decisive lead of 39 imps over their opponents, the top-seeded defending champions, headed by Grant Baze. In six deals, they cut the margin to 22 and then faced the diagramed deal.

Psychic bids are rare when top professionals are at work, but one certainly seemed indicated here. When North

opened three diamonds, Bobby Levin, South for the Schwartz team, knew that his opponents could make a game or a slam in spades. When East passed, he ventured three spades, in spite of being vulnerable, planning to revert to diamonds at a suitable moment. Three spades was forcing, and would normally suggest a six-card suit or a strong five-card suit.

Many players with the North cards would rebid four diamonds, allowing South to raise to game and leave the opponents, perhaps, in confusion. An alternative was three notrump, implying a club stopper since North could bid three hearts to show a stopper in that suit. But Steve Weinstein, as North, chose to raise to four spades.

Now a retreat to five diamonds would have exposed the plot, so Levin also passed

and the bidding ended. This would have been a good result if six spades had been available to East-West, for the penalty of 900 would have been poor compensation for missing 1430. It would have been a slightly inferior result if 10 tricks were the limit for East-West: a penalty of 700 against the game score of 620.

The worst result occurs if East-West can make exactly 11 tricks: a penalty of 600 against a game score of 650. But the result was nevertheless a disaster, because East-West have a sound slam contract that does not make. Levin's teammates, Ron Smith and Mark Lair, bid to six spades, which was doubled. With the North-South hands reversed, six spades would make an overtrick, but as it was it was down one.

The Schwartz team lost 14 imps, and eventually lost the match by just 1 imp, sending the Baze team to the final, thanks to their rare decision to play in a one-one fit.

WEST
♠ A K Q 8 4 3
♥ 6 5 3
♦ A Q 10 5
♣ A 10 5

EAST
♠ 10 9 8 5 2
♥ A Q 9 7 5
♦ A 10 5
♣ 8 8 2

SOUTH
♠ 7
♥ K J 8 4
♦ A Q 10 7 5
♣ A 10 5

Both sides were vulnerable. The bidding:
North East South West
3♠ Pass 3♠ Pass
4♠ Pass Pass Pass
West led the spade ace.

BRIEFLY

Yeltsin Envoy Still Missing in Chechnya

MOSCOW — Officials in the breakaway republic of Chechnya tried, but failed, to free an envoy of President Boris Yeltsin's who was kidnapped nearly four months ago, a news agency said Thursday.

Rescuers raided the town of Surut, where they believed Valentin Vlasov was held, on Wednesday but did not find him, according to the Itar-Tass news agency.

Mr. Vlasov was kidnapped at gunpoint on May 1. No one has claimed responsibility for the kidnapping. Hundreds of people have been kidnapped in Chechnya and surrounding regions, usually for ransom, since the region's two-year war for independence from Russia ended in 1996. (AP)

Prostitution Draws Ire of Italian Official

ROME — The Italian minister for social affairs, Livia Turco, has called on mayors to come up with an aggressive strategy to combat prostitution.

Miss Turco, who says she is not opposed to prostitution per se — and who has suggested that prostitutes band together in cooperatives — has come out in favor of strong fines against prostitutes' customers.

Milan and several other cities, prodded by residents who complain of noise and disruption in affected neighborhoods, already levy such fines.

Among them is Rimini, a popular summer beach resort, where anyone caught negotiating with a prostitute can be fined up to 1 million lire (\$565). According to news reports, prostitution has declined 80 percent since police started levying fines last year.

Miss Turco said Italy needed to combat the practice of forced prostitution and the drug trafficking sometimes associated with it. Turco added she was not against prostitution in itself but was against the reopening of brothels, which were shut down by law in 1958.

Many prostitutes emigrate from Africa and eastern Europe and inadvertently become involved in pros-

titution when they answer ads for work in Italy. When they arrive, their "bosses" often take their passports and refuse to return them until the women earn money by becoming prostitutes. (AP)

French Truckers Want Shorter Hours

PARIS — Truck drivers will stage a day of action across Europe on Sept. 8 in support of shorter working hours, the French pro-Socialist Democratic Labor Federation said Thursday.

It said the day of action was called by the London-based International Transport Federation and the Brussels-based Transport Trade Union Federation.

The French union said the aim was twofold. One hope is to influence negotiations in Brussels concerning proposals to shorten the workweek. The union also maintains that shorter hours are needed to improve road safety.

The union said it was demanding a maximum workweek for drivers of 48 hours, plus decent and safe roadside rest areas and an end to long waits at border.

The union did not rule out the possibility of road blocks set up by truckers to drive home their point. (AFP)

Swiss Police Destroy Suspicious Object

ZURICH — Police set off a controlled explosion in a main square of the Swiss financial capital on Thursday, blowing up an object suspected of being a land mine.

A round, plate-shaped object was reported by a passerby in Limmatplatz shortly before noon, one of the busiest times in the square, said a police spokesman, Bruno Kistler.

The square, near the main railway station, was sealed off and a robot was deployed to check and explode the object. The remains were being examined. (AP)

A Political Shift Blows Through Europe

By William Drozdiak
Washington Post Service

BERLIN — If the Social Democratic leader Gerhard Schröder can maintain his slender lead in the polls over Chancellor Helmut Kohl and form the next German government, it would culminate a remarkable transformation in the political leadership of Europe.

Three years ago, Germany, France, Italy and Britain were each ruled by conservative or rightist governments. A victory for Mr. Schröder in the Sept. 27 national election would place left-of-center politicians at the helm of Europe's four largest economies.

Across the Atlantic, President Bill Clinton and his advisers have seized on Europe's shifting political balance to promote a "third way" movement among progressive leaders, in which traditionally leftist parties abandon state ownership of major industries, slash taxes and curtail costly welfare programs.

The White House political counselor Sidney Blumenthal is organizing a conference in New York next month on the fringe of the UN General Assembly session that will bring together Mr. Clinton and several European prime ministers, including Tony Blair of Britain, Lionel Jospin of France and Romano Prodi of Italy, for a discussion on forging common policy perspectives.

The idea of cultivating this kind of fellowship has generated the greatest enthusiasm in Britain, where Mr. Blair has moved the Labour Party sharply to

the center and worked hard at reinvigorating the "special relationship" between London and Washington.

"We have a unique opportunity to shape a new kind of society adapted to globalization," Anthony Giddens, director of the London School of Economics and a prominent "third way" guru, said at a conference of the German Social Democrats in Berlin last month.

"We are talking not just about economics," he said, but about "changed perceptions about life that will require urgent reforms of our institutions."

Mr. Giddens said that Europe needed to learn from the United States about introducing "more risk into our societies" to balance the social and economic security cherished by most Europeans.

He said the generous pension, welfare and health-care benefits that provide a safety net in many European societies cannot be sustained if the private sector is enfeebled by high taxes and wage costs.

Elsewhere on the Continent, however, reaction to talk of a movement among progressive leaders is guarded. While France is trying to encourage a new class of entrepreneurs, neither Mr. Jospin nor the conservative President Jacques Chirac is prepared to call into question a state-oriented economy dominated by the public sector.

In Germany, where Mr. Kohl was elected chancellor in 1982 by vowing to reverse the country's socialist trends, the public sector has grown steadily under 16 years of conservative rule and now accounts for more than half of the

country's gross national product. Welfare deductions average a record 42 percent of wages and salaries.

While Mr. Schröder has emphasized the need to modernize the sluggish German economy through innovation and technology, he is wary about talk of a "third way" that would jeopardize the social welfare perquisites that many Germans consider birthrights. He says he will apply whatever policy can produce the best results, regardless of labels.

"I am neither right nor left," Mr. Schröder, 54, said in a recent interview. "I'm a human being."

"The old ideologies have been overtaken by the forces of history," he said. "I'm only interested in what works on the ground: it's what I like to call total vision."

In Italy, the Olive Tree coalition headed by Mr. Prodi also has defied old leftist shibboleths about the sanctity of big government. Indeed, within Italy's revamped politics since corruption scandals earlier this decade ended 40 years of Christian Democratic rule, the strongest advocate of maintaining a large state sector is now the neo-fascist National Alliance headed by Gianfranco Fini.

"There is no question that the left thinks differently these days," Mr. Prodi said in an interview in Rome. "What happens in a world where ideology is less important, when there is less that divides right from left?" Mr. Prodi said. "It is all part of a quiet revolution that is transforming politics everywhere, not just in Italy."

ASIA/PACIFIC

For Malaysian Women, Stereotypes Don't Apply

In Rural Province, the Wives Run the Show, At Least in Business, but Only Up to a Point

By Thomas Fuller
International Herald Tribune

KOTA BARU, Malaysia — It has often been assumed in Malaysia that women who wear head scarves are less independent-minded than their bare-headed counterparts.

Tell that to the women of Kelantan. Here, in what is Malaysia's most Muslim state, women practically run the show. They dominate the retail trade at the large market in the center of this capital city, and they prepare the meals and count the change at the outdoor food stalls while their husbands look after the children.

Hanishah Mohammed Yatim, a Kelantan woman who owns a music shop, clothing boutique, beauty salon and Internet cafe and is general manager of one of the city's leading hotels, calls her husband an "assistant."

"Kelantan women are hardworking," says Hanishah binte Chik Muda, a

scarves since they were young and, after all, that is what Islam calls for.

It is Mr. Aziz's views on women's social roles that they disagree with — especially his call for more women to stay at home with their children.

"It is not our objective to change the social order here or the tradition of women running small business," Mr. Aziz said in a recent interview. "But what we are worried about is the long separation between mothers and their children."

Many husbands in Kelantan take care of the children while their wives are at work, and this, Mr. Aziz says, is not healthy for the children, who need to feel a mother's "vibrations and feelings," which a father cannot provide.

Mr. Aziz, who is a Muslim scholar by training, says the state has three programs to encourage working women to stay closer to home.

Few women take issue with Mr. Aziz directly — to do so, they say, would be to criticize Islam itself — but they reject the notion of staying at home to take care of children.

"Father or mother — it's the same," said Salma binte Mohamed, who sells brightly colored scarves at the market and whose husband comes home from his job as a teacher at 2 P.M. every day to look after the children. "Sometimes children can be closer to their father."

"A women's place is in the home," asked Mrs. Hanishah, the batik cloth seller. "That's history." Besides, she says, women are better at dealing with customers. "During bargaining women are patient. Men just get angry."

'A women's place is in the home? That's history. Besides, during bargaining women are patient. Men just get angry.'

mother of four who sells batik cloth among the hundreds of stalls at Kota Baru's central market.

"Look around," she adds raising her voice over the din of market activity. "Ninety percent of the merchants here are women." Women like Mrs. Hanishah wear head scarves and long-flowing dresses in brilliant colors that match the fruit sold in the market: rambutan reds, mangosteen purples and durian greens and yellows.

They say they do not know why they are more involved in business than women from other areas of the country. That is just the way they were brought up. Men in Kelantan often shrug when asked the question.

"From whatever records we have — which go back to the 19th century — women in Kelantan have always been involved in business," said Khoo Kay Kim, professor of Malaysian history at the University of Malaysia.

And although they control many businesses in Kelantan, politics has largely remained the domain of men in the state — and politicians these days are saying some things the women do not want to hear.

The Pan-Malaysian Islamic Party, which has been running the state government since 1990, is slacked with men who have passed a number of laws they say are designed to protect women. Although Malaysia is 60 percent Muslim, Kelantan is the only state among the 13 to be governed by the Islamic opposition party.

Muslim women employees in shops, restaurants and hotels are required to wear head scarves on the job, and supermarkets must have separate male and female check-out lines.

"When Islam instructs women to cover their bodies, it is to prevent immoral activities," says Nik Aziz, the state's chief minister. "Their bodies have attracting characteristics." Few women interviewed in Kota Baru dispute this. They say they do not mind wearing a head scarf and loose fitting clothes. They have been wearing head



RALLYING SUPPORT — Prime Minister Mahathir bin Mohamad in Kuala Lumpur on Thursday as he sought acceptance of economic reforms.

North Korea Is Expected To Name Kim President

Agence France-Presse

SEOUL — The North Korean Parliament will convene next month, it was announced Thursday, apparently to name Kim Jong Il as head of state and to shuffle top administrative posts.

"The first session of the 10th Supreme People's Assembly of the Democratic People's Republic of Korea will be convened in Pyongyang on Sept. 5," the official press agency KCNA said in a dispatch.

The announcement was seen in Seoul as a sign that the Communist state was poised to officially name the son of its founder and former leader as president. Mr. Kim's father, Kim Il Sung, died in July 1994. The younger Mr. Kim was elected general secretary of the ruling

Communist Party last October.

Kim Jong Il is expected to assume the presidency on Sept. 9, the 50th anniversary of the proclamation of the Democratic People's Republic of Korea.

The assembly is also seen as likely to name a new prime minister and defense minister and fill about 20 senior posts in the party, military and administration.

"Many people below ministerial rank, especially in the fields of economic affairs and inter-Korean relations, are expected to be reshuffled," an official of the South Korean Unification Ministry said on condition of anonymity. "But the North is not likely to put forward new policy directions. It is most likely to stick to its own socialism and self-reliance policy."

process all cargo transport starting Monday, eight days ahead of the schedule set by the cargo handler and the government. Air cargo services have been back to normal levels since Friday using both airports, but officials said the lengthy partial ban might have cost the territory 0.35 percent of this year's gross domestic product. (AP)

Burma Dissident's Health Slips

RANGOON — Burma's opposition National League for Democracy said Thursday the health of Daw Aung San Suu Kyi, its leader, was deteriorating and she would have to give up a roadside protest if it became worse.

It also said Daw Aung San Suu Kyi would be prepared to return to her home in Rangoon if the government released NLD members of Parliament and activists detained since late May.

A party statement said the 1991 Nobel Peace Prize laureate, who has been stuck with three supporters in a minivan southwest of Rangoon since Aug. 12, had been visited by her doctor who found her health "frail" but morale high.

"The situation has been reached that their food and water is no longer enough," the statement said. "If her health becomes worse, the General Secretary will receive medical treatment from her own doctor at her own house, of her own volition." It quoted the doctor as saying Daw Aung San Suu Kyi showed signs of dehydration. (Reuters)

Hong Kong Airport Gets Moving

HONG KONG — Hong Kong's new airport will start Monday handling all air cargo moving through the territory for the first time since it opened in early July, the main cargo handler said Thursday.

Serious computer and mechanical glitches at the new airport had crippled air cargo transport, forcing Hong Kong Air Cargo Terminals to move parts of the operation back to the old airport.

A company statement said the new cargo terminal will

BRIEFLY

process all cargo transport starting Monday, eight days ahead of the schedule set by the cargo handler and the government. Air cargo services have been back to normal levels since Friday using both airports, but officials said the lengthy partial ban might have cost the territory 0.35 percent of this year's gross domestic product. (AP)

Toll of India Landslides Rises

BAREILLY, India — India began evacuating thousands of villagers along two river valleys in the Himalayas on Thursday as officials and relief agencies said the death toll in a series of landslides could cross 300.

Relatives in the army garrison town of Bareilly waited for news of 60 Hindu pilgrims who were among more than 200 people missing and feared dead in a huge landslide that hit the makeshift camp of Malapa on Tuesday.

The death toll in a landslide that hit another village rose to 26. Smaller landslides were reported elsewhere. (Reuters)

China Official's Sentence Upheld

BEIJING — The most senior Chinese leader ensnared in a crackdown on graft lost his appeal Thursday of a 16-year prison sentence in the nation's biggest corruption scandal. The Supreme People's Court upheld the sentence handed down last month to Chen Xitong, 68, a former mayor and Communist Party chief of Beijing, the state-run Xinhua News Agency said.

Few details from Mr. Chen's closed trial have been released, and state-run media have reported little to clarify his role in a scandal that may have cost Beijing more than \$2 billion. (AP)

Indonesia Troops Exit Aceh Amid Rage Over Alleged Army Abuses

By Michael Richardson
International Herald Tribune

JAKARTA — Indonesia began its promised withdrawal of combat troops from Aceh Province on Thursday, in a move that underlined public anger over increasing evidence of widespread military abuses.

As a convoy of trucks carried 200 soldiers and 50 members of the special forces out of the industrial city of Lhokseumawe, in Aceh on the northern tip of the island of Sumatra, Indonesian civil rights activists said that recently discovered mass graves soon to be exhumed in the province would put further pressure on the government of President B.J. Habibie to ensure that its promised democratic reforms would be extended to the once-unruly Aceh army establishment.

Amid several trials and investigations of its men — including three generals — for alleged abuses of power, the armed forces are taking steps to atone for excesses committed during the 32-year autocratic rule of former President Suharto, who was forced to resign in May after protests and riots engulfed Jakarta.

In the new atmosphere of greater openness and media freedom, the military is coming under scrutiny as never before. Abdurrahman Wahid, chairman of Nahdlatul Ulama, the largest Muslim social organization in Indonesia, said that the image of the armed forces "has now reached the lowest level ever in its history."

As an increasing number of political parties and nongovernmental organizations are formed — many of them highly critical of the Suharto government and the support it received from the armed forces — demands are growing for the military to become more professional and reduce its involvement in politics.

The military recently promised to withdraw all combat troops from the disputed former Portuguese colony of East Timor and Aceh, which has special autonomous status under Indonesian

law, to try to improve its reputation and ease tensions.

Armed separatists have long been active in both regions, as well as the province of Irian Jaya, where military excesses have also been reported.

The military said Thursday that it would withdraw a further 729 troops from Aceh on Aug. 31, completing the removal of combat forces pledged by the armed forces chief, General Wiranto, this month.

But some Indonesian newspapers have said that there are still more fighting soldiers to be withdrawn. The Kompas daily estimated that before the withdrawal on Thursday, 12,000 soldiers remained in Aceh, half of them combat troops.

About 500 locals watched the soldiers stage their final parade outside the legislative assembly in Lhokseumawe.

There were loud cheers as the troops marched to a convoy of trucks, and some of the crowd shouted abuse and shook their fists as the soldiers departed. Reuters reported from the town.

"They have done nothing but make the people of Aceh suffer," said Rizal, one of a crowd of young men shouting abuse at the convoy of passing trucks. "We're glad they're gone."

The soldiers leave behind accusations of mass killings and extensive human rights violations during a crackdown on the independence movement in the staunchly Muslim province since 1989.

Acehnese human rights groups say that 11 mass graves have been discovered in the province, containing up to 1,600 corpses. A fact-finding team from the official Human Rights Commission arrived Thursday in Aceh to investigate.

In a recent joint report, Human Rights Watch in New York and Amnesty International in London said that in the three years from 1989, as many as 2,000 civilians, soldiers and members of the Free Aceh guerrilla group were killed, including many who were "unlawfully killed by the armed forces of both sides."

The two human rights organizations said that at least 1,000 people were arbitrarily arrested by Indonesian security forces on suspicion of supporting the Free Aceh movement, or because of family connections to members of the group.

Both President Habibie and General Wiranto have offered apologies this month for army atrocities.

In his first Independence Day address to the nation, Mr. Habibie said Saturday that an investigation of the military was "imperative to restore the dignity and honor of our armed forces."

"On behalf of the government, I would like to express my deepest regrets for the human rights violations in several regions committed by individuals from the state apparatus in the past," he said. "I apologize to the Indonesian people, in particular to the families of the victims."

A government panel, including military officials, is investigating whether elements in the armed forces incited anti-Chinese riots in May.

Official investigations are continuing into the fatal shooting of four student protesters at Trisakti University in Jakarta immediately before those riots.

A separate military board is investigating why special forces troops were involved in the abduction, torture and suspected killing of anti-Suharto activists. The board, which has just handed its recommendations to General Wiranto for action, has said that a son-in-law of Mr. Suharto, Lieutenant General Prabowo Subianto, was directly responsible and may be court-martialed.



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PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Now What?

Some congressional Democrats began to put a little distance between themselves and President Bill Clinton following his grudging and inadequate acknowledgment Monday night that he "mistakenly" in the Monica Lewinsky case. It is important that they do so, but in the right way and for the right reasons. The case is headed for Congress, the next one if not this, once independent counsel Kenneth Starr makes his report. Congress will have to decide what if anything to do.

It will be a disaster if those proceedings are allowed to degenerate into a partisan mud fight, as have other investigations of presidential behavior in the past. The need is for a judgment that is just and that deals in some rational way with the question of how the remainder of the president's term. The Democrats perhaps even more than the Republicans hold the keys to that. It is they who can set the tone.

The president has committed a huge breach of trust. This time he was not just sloppy. He looked people straight in the eye — his own cabinet members, aides, fellow Democrats — and denied having done what he now acknowledges he did. He sent them out to deny it in turn. He looked the country in the eye as well and likewise denied it via television. He denied it under oath in a

court proceeding. He went at length to court to keep the independent counsel from then investigating the matter, and by invoking the immunities of his office in contexts in which they were never meant to be used, ended up weakening what he purported to defend. The fight, which he could have avoided by simply saying "yes" instead of "no" — by telling the truth — lasted seven months, and did other forms of damage as well.

He wants the country now to drop the issue — "Our country has been distracted by this matter for too long" — and let him serve out his term. At the opposite end of the spectrum, there have been some scattered calls for his impeachment or for him to resign. Our own sense is that there needs to be, at a minimum, some formal judgment rendered on his conduct once the prosecutor has reported. A four-minute speech on television in which he largely evaded the responsibility he pretended to accept does not resolve the issue. It was, in a way, a further expression of contempt for the truth not told to suggest that it did.

A verdict is needed in this case, a statement as to what does and doesn't constitute acceptable behavior. The president's fellow Democrats need to play a part in reaching it.

— THE WASHINGTON POST.

Peace After Omagh

In the deadliest single bombing ever in Northern Ireland's long history of troubles, altogether 28 people were killed last Saturday afternoon when a terrorist bomb exploded in the market town of Omagh. Many of them were children; a carnival was in town. Many more children now lie in hospitals. Some have lost limbs.

This was not how things were supposed to be after Northern Ireland's long-warring enemies, Catholic guerrillas who wanted union with the Republic of Ireland to the south and Protestant guerrillas who cherished Northern Ireland's ties to the United Kingdom, agreed after 30 years of strife to make peace. This was not how it was supposed to be after overwhelming majorities in both the south and the north ratified that agreement, voting in May for peace and compromise.

But we know enough now, from the Middle East and Ireland and elsewhere, not to be surprised when progress toward peace paradoxically energizes those most committed to violence, those who have no popular support and can thrive only in an atmosphere of fear and hatred.

In the aftermath of this most despicable of attacks, people in Ireland have shown more than ever that they have no more stomach for continued violence. Those believed to be associated with the conscienceless splinter group responsible for the Omagh attack have been hounded into hiding. A leading Catholic politician, the Sinn

Fein's Gerry Adams, for the first time has forthrightly condemned a Catholic terrorist attack. Just as encouraging, a leading Protestant politician, David Trimble, has condemned the attack and its perpetrators without blanketing all pro-Republican groups with his criticism. On Wednesday, Mr. Trimble journeyed to a Catholic church in a seaside Irish village to attend the funeral of three boys killed in Omagh. These may seem obvious steps, but in the painful context of Northern Ireland they represent important moves toward cooperation.

There can be no "good" side to a horror like this, and it is famous to speak of one. But some outcomes can be less bad than others. The worst, now, would be if the few remaining terrorists — in this case, a tiny group calling itself the "Real IRA" — succeeded in derailing the still fragile peace process. If, on the other hand, authorities redouble their efforts against the bombers, as the prime ministers of Ireland and Britain have properly pledged, and if the Omagh bombing shocks and shames Catholic and Protestant politicians alike into accelerating the trust-building process that most Irish people so clearly want, then the less bad outcome at least has a chance.

Then Omagh may be remembered not only as a place of infamy but as a moment when Ireland showed once and for all that terror could not dictate the course of events.

— THE WASHINGTON POST.

Other Comment

Defeat for the Bombers

For the second time in as many months, an atrocity designed to drive a stake through the heart of the Irish peace process appears to have achieved exactly the opposite result.

Last month, the loyalists who burned three children to death in Balymoney created such a wave of revulsion among ordinary Unionists that they broke the back of the Drumcree protests and decisively isolated the most backward wing of Orangism.

Now the massacre perpetrated by the "Real IRA" in Omagh — a bombing intended to cut the political ground from beneath both Gerry Adams and David Trimble — has left the splinter group's leaders running for cover in the face of hostility and rage from both the republican mainstream and the wider nationalist population.

Paradoxically, the worst carnage of Northern Ireland's troubles has only served to emphasize the solid foundations of the political process constructed to bring them to an end.

— The Guardian (London).

Watch for a Recession

The year 2000 problem is a very serious threat to the U.S. economy. Indeed, it is also bound to seriously disrupt the entire global economy.

Currently, I believe that there's a 70

percent chance of a global recession as severe as the one that occurred in 1973-1974 as a result.

I use the analogy of "73-'74 because just the way that recession was caused by a disruption in the supply of oil, I believe that a disruption in the flow of information could be equally as disruptive. The stock market in this scenario is bound to decline.

The year 2000 issue is obviously very relevant to thinking about the macroeconomy and financial markets. I predict that real GDP could drop by at least as much as it fell in '73-'74 by the United States. It dropped by nearly 4 percent from peak to trough. We had a 24-month recession. I think in the year 2000 we will have a recession that could last at least 12 months, possibly as much as 24 months.

But, at this point, I want to stay the optimist and tell you that I'm looking forward to predicting the recovery and the bull market of the year 2001.

But that's on the other side of the problem. On this side of the problem, I look for the stock market to make a major peak sometime between the beginning of this year and the end of next year, if you will allow me that wide a margin.

— Edward Yardeni, chief economist of Deutsche Bank Securities, speaking at the National Press Club in Washington on Wednesday.

Either Restore Trust or Delegate Foreign Policy

By Jim Hoagland

WASHINGTON — Count among Bill Clinton's victims this week his secretary of state, his national security adviser and his foreign policy at large. President Clinton has undermined his people and his policies with a recklessness and a disregard for America's standing in the world that is monumental and unpardonable.

This is not to equate America's standing with his. Fortunately the country is strong enough and its democracy resilient enough to shake off this squalor. But his tardy and grudging admission of wrongdoing in the Oval Office and of his mendacity converts weakness in foreign policy into potential disaster. He has erased the large margin of error he assigned himself in dealing with threats and challenges abroad.

His plight will encourage rogue regimes in Baghdad, Belgrade, Pyongyang and elsewhere to test his attention to their depredations and his resolve in deterring or punishing those acts. It will encourage allies to resist even more strongly U.S. pressure to do things they do not see as in their interest.

On the day Mr. Clinton spent four hours dueling with prosecutors over the sordid details of his relationship with Monica Lewinsky, it was disclosed that the Looney Tunes govern-

ment of North Korea has been cheating on its 1994 accord with Washington to stop working on nuclear bombs. It was a telling coincidence, pointing up the misallocation of presidential and national attention and energies that the Lewinsky affair has spawned.

In determining their attitude toward Mr. Clinton's fate, the Republican majority in Congress must factor into its actions an increasingly uncertain international environment. Any temptation to stretch out the president's embarrassment for partisan gain must be swiftly rejected.

Unfortunately, every Clinton response to upheaval or challenge abroad will now be filtered through the Lewinsky prism. Any use of force, or threat of it, can be portrayed by the North Koreans, Iraqis or Serbs as a Clinton attempt to divert attention from his domestic problems.

And other countries being asked to put resources into international financial rescue packages or enforcement operations will hardly be inspired now by Mr. Clinton's concept of sacrifice. The president has shown himself to be willing to sacrifice only others.

It does not matter who they are, or what position of national trust they occupy. He has become a living Winston Smith, the George Orwell character who in the climactic scene of "1984" begs his persecutors to "Do it to Julia," his beloved, if that means he will be spared their threat of caging him with rats.

Madeline Albright put her credibility on the line for Mr. Clinton on Jan. 23. The secretary of state told the American public that "the allegations are completely untrue," and that she believed him. "The president is focused on what he has to do," she said.

That unfortunately was no more true than were Mr. Clinton's statements to the cabinet about Monica. Mrs. Albright's testimony, as the first woman secretary of state, was particularly useful that day to the president's strategy of denial and delay against charges of sexual misconduct. She has shown herself to be above all a loyalist to the Clintons.

But that loyalty is not reciprocated. As he did with Warren Christopher on Bosnia and other issues, Mr. Clinton has burned Mrs. Albright and tarnished her reputation — not for national gain, but for his own political viability.

Mr. Clinton made sure to be photographed with his national security adviser, Sandy Berger, just before he went into Monday's testimony. Again, the point was to tell the public that Mr. Clinton is "focused" on the nation's business and that other, malicious forces try to pull him away from it. But the photograph of that brief session with Mr. Berger was in fact nothing more than a measure of Mr. Clinton's desperation and distraction, and of his willingness to use foreign policy as a shield when useful.

More telling than the photo: On Tuesday, when Mr. Clinton either made or fielded up to a dozen telephone calls at the White House to discuss the deepest moment of crisis in his presidency, he did not speak to any foreign leader. "He didn't feel the need to do that on that day," White House spokesman Joe Lockhart told me.

Bill Clinton has created a dysfunctional cabinet that has no reason to believe or trust him again, and no credibility in asking others to do so. He must urgently acknowledge and fix that problem, or step aside and let others whose loyalty is clearly focused on the national interest take charge of a damaging foreign policy agenda.

The Washington Post.

Look at What's Happening to Russia Under 'Reforms'

By Stephen F. Cohen

NEW YORK — As Russia's economic collapse spirals out of control, rarely if ever has American discourse about that country been so uncaringly and dangerously in conflict with reality.

With its endless ideological mantra of a purported "transition from communism to free market capitalism," almost all U.S. government, media and academic commentary on Russia's current troubles is premised on two profoundly wrong assumptions: That the problem is essentially a financial crisis, and that the remedy is faster and more resolute application of the "reform" policies that President Boris Yeltsin has pursued since 1991.

Treating Russia's agony as merely a matter of bolstering a faltering stock market, banking system and currency with more budgetary austerity and tax collection, ruble devaluation and

Western financial bailouts — is like rearranging deck chairs on the Titanic.

Russia's underlying problem is an unprecedented, all-encompassing economic catastrophe — a peacetime economy that has been in a process of relentless destruction for nearly seven years.

GDP has fallen by at least half, and according to one report by as much as 83 percent; capital investment by 90 percent; meat and dairy livestock herds by 75 percent. Except for energy, the country now produces very little. Most consumer goods, especially in large cities, are imported.

So great is Russia's economic and thus social catastrophe that we must now speak of another unprecedented development: the de-modernization of a 20th century country.

When the infrastructures of production, technology, science, transportation, heating and sewage disposal disintegrate; when tens of millions of people do not receive earned salaries, some 75 percent of society lives below or barely above the subsistence level, and at least 15 million people are actually starving; when male life expectancy has plunged to 57 years, malnutrition has become the norm among schoolchildren, once eradicated diseases are again becoming epidemic, and basic welfare provisions are disappearing; when even highly educated professionals must grow their own food in order to survive, and well over half the nation's economic transactions are barter — all this, and more, is indisputable evidence of a tragic transition backward to a pre-modern era.

Even if economic growth were miraculously to resume, Russia would need decades to regain what it has lost in the 1990s, and nothing can retrieve the millions of lives already cut short by the "transition."

Indeed, as a careful statistical study by Professor Stephen Shenfield of Brown University shows, an even greater and possibly inescapable economic and social disaster is rapidly approaching.

Why call this "reform," as does virtually every American commentator? Certainly, very few Russians any longer do so, except to curse Mr. Yeltsin and his policies, especially those long and zealously promoted by the Clinton administration.

Russian economists and politicians across the spectrum are now desperately trying to formulate alternative economic policies that might save their nation — ones more akin to

Franklin Roosevelt's New Deal than to the neo-liberal monetarist orthodoxies of the U.S. State and Treasury departments, the IMF, the World Bank and legions of Western advisers, which have done so much to abet Russia's calamity.

But when President Bill Clinton goes to Moscow in early September, he will no doubt tell President Yeltsin publicly, as he has often in the past and as Vice President Al Gore did when he visited in July, "Stay the course!" For a great many Russians, it will mean that America welcomes what has happened to their country and does not care about their ruined lives.

The writer is professor of Russian studies and history at New York University and author of the forthcoming book "Rethinking Russia." He contributed this comment to the International Herald Tribune.

For East Timor's Sake, Don't Push Jakarta Too Hard

By James Clad

JAKARTA — Indonesia's multiple economic and political problems have produced a fleeting chance to deal decisively with the country's most chronic international embarrassment, East Timor. But the Timor émigré community, its friends in the U.S. Congress and the territory's former ruler, Portugal, must give Indonesia enough "face" to extricate itself from a disastrous experiment in Asian colonialism.

The recent joint communiqué from Indonesia and Portugal on East Timor is an important step toward resolving a dispute that began when Indonesian armed forces invaded the territory in December 1975.

East Timor's many partisans, and the Portuguese themselves, still find it galling to indulge the Indonesian's military and intelligence services in East Timor has frequently been appalling.

But there are strong reasons for flexibility. Among the most important is the fact that Indonesia's new president, B.J. Habibie, is weak and cannot agree to outright immediate independence for East Timor. He would not survive criticism that

he had yielded to separatist pressure.

As Indonesia reels under the impact of deepening recession and poverty, resentment is building against foreigners and against foreign governments seeking to capitalize on Indonesia's present weakness.

Former President Suharto, who was forced to resign in May, sanctioned the takeover of East Timor. His departure opens the way for a workable solution to the problem. But Western diplomats say the crisis in Indonesia means that Mr. Habibie cannot keep the window open for long.

He has offered extensive provincial "autonomy" for East Timor. At first glance the idea looks a lot like a Foreign Ministry plan rejected by Mr. Suharto in 1995. Mr. Habibie says Indonesia would retain only defense, foreign affairs and monetary responsibilities in the territory. Foreign Minister Ali Alatas told me that Australia, Japan and the United States all accept the sincerity of Mr. Habibie's offer.

Most important, perhaps, Mr.

Habibie says his autonomy proposal should be taken "as a basis for discussion." But Portugal's long years of opposition to annexation of its colony have entrenched intransigence in Lisbon's approach to a negotiated settlement.

The mood in the U.S. Congress also favors extracting maximum mileage from an Indonesia overwhelmed by crisis. The issue fits the congressional morality play of victims and oppressors.

If only it were that simple. No single voice speaks for the disputed territory's estimated 750,000 inhabitants. East Timor's Roman Catholic bishop and Nobel Peace laureate Carlos Belo welcomes Mr. Habibie's approach. He understands the risk of a backlash if East Timor gains too much too soon. Even the imprisoned East Timor independence leader, Xanana Gusmão, sees this.

But strident émigré groups, from the safety of Australia, Portugal and the United States, urge outright rejection of any autonomy proposal, even as a starting point for talks. And the

territory's "assimilationists" (those accepting Indonesian control) now fear violent eviction by extreme separatists.

Most difficult of all, Portugal still intends to assert its formal status as the territory's only legal overseer. But the Portuguese government does not fully understand the dangerous forces at play in Indonesia today, and how they limit Mr. Habibie's options.

Meanwhile, Portugal's fellow members in the European Union, deeply worried by Indonesia's problems, are fed up with Portuguese posturing. After visiting East Timor recently, EU ambassadors wrote a private report sharply critical of Lisbon's recent diplomacy.

An increasing number of Indonesians would gladly walk away from their "27th province" if a face-saving formula could be found.

The unraveling in recent weeks of East Timor's social fabric mirrors the gathering distress elsewhere in the Indonesian archipelago. In Dili, East Timor's capital, vendettas and vigilantism have begun to fill the vacuum of weakening Indonesian control.

Thousands of poor Indonesian migrants who have moved into the territory since 1975 have fled in terror. Factional enmity among East Timor clans and families is rife.

For the United States, the most important reason for giving Mr. Habibie face over East Timor is the need to contain Indonesia's crisis. If Mr. Ha-

bibie, a civilian, does not survive in office, chances are that another military figure will come to power. Any army leader will probably be determined to maintain national unity, and extremely reluctant to risk it by making autonomy concessions.

Even if Mr. Habibie remains president, granting immediate independence for predominantly Christian East Timor would stoke a backlash from the Muslim majority. Millions of Catholics — many of them ethnic Chinese, who have borne the brunt of recent riots — live elsewhere in Indonesia.

In this sensitive environment, the Clinton administration should urge a policy of realism on all parties. At the very least, real autonomy for East Timor is on offer. Virtual independence probably lies just a little further ahead. To push for it now is unwise.

The writer, professor of Asian studies at Georgetown University in Washington, is a former correspondent for the Far Eastern Economic Review in Southeast Asia. He contributed this comment to the International Herald Tribune.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature. Names and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

For Iran and America to Make Up

By Barry Rosen

NEW YORK — In Paris about two weeks ago, I had dinner with Abbas Abdi, a prominent political columnist for the Iranian newspaper Salam, who was jailed in 1993 for several months for criticizing the Iranian government. A few years earlier he had been one of the students who led the takeover of the U.S. Embassy in Tehran and was directly responsible for my wretched 444 days as a hostage.

Mr. Abdi and I disagreed about many issues, including the morality of taking hostages in general and Iranian justifications for that incident in particular. Nevertheless, we did converse — as private citizens, not as revolutionary and diplomat.

And we shook heads, after a debate at Unesco headquarters, something I had believed unlikely ever to happen.

Our personal meetings were emblematic of what relations between the United States and Iran might become.

Mr. Abdi, who is now in his early 40s, lives in a country where people who want to es-

tablish the rule of law are fighting others who are intent on preventing change. He did not and could not apologize to me in public.

Still, we spent hours together arguing, laughing and exchanging pleasantries. He expressed profound apologies for the pain my family and I suffered during the hard days of my captivity. And I, in turn, paid my respects to him for making that difficult statement of remorse.

So why did I want to meet with a man who I knew had caused such trauma to so many? I sensed that the time had come to turn the page on that period in our nations' history so that we could move on to a new relationship.

Mr. Abdi and I took the first baby steps on the long road toward reconciliation. The critical question is what it will take to get American and Iranian negotiators to sit down together.

The answer is that it will take what peacemaking has always taken: honest reflection,

foresight and courage. The alternative is interminable confrontation.

The solution is no less urgent for being obvious: The favorite myths of both countries must be deflated.

Americans must acknowledge that the Iranian revolution's violent anti-Americanism was rooted in real injuries to the Iranian people, and that Iran has abandoned much of its radicalism in the past nine years. The Iranian leaders and people must modify their black-and-white view of the United States and of the world in general.

I like to think I am not naive about problems confronting Washington and Tehran. I think our relationship will develop when we start to see people, not symbols. If we are to build a bridge, it will almost inevitably have to start there.

The writer, one of 52 Americans held hostage in Iran from 1979 to 1981, is executive director of public affairs for Teachers College at Columbia University. He contributed this comment to The New York Times.

Herald Tribune

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S.A.S. as capital de 1.300.000 F. RCS Nanterre B 232021/26. Commission Paritaire No. 61357

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OPINION/LETTERS

Clinton Should Take the Honorable Course and Resign

PARIS — The honorable thing for Bill Clinton to do now is to resign.

I do not expect him to resign. I cannot imagine it unless a powerful current of public opinion were to build up, demanding that he do so, and I scarcely expect that to happen.

Nonetheless, his resignation would restore the notion of honorable conduct to American public life. The president would have replaced his equivocations, evasions and lies with a resonant act of moral responsibility.

He would have made an undeniable claim upon public respect. He would have established a demand on history to be treated as the serious person he has claimed to be, who accepts, as he said in his talk Monday night, responsibility for his actions.

His resignation would, during the remaining two years of his elected term, lift from Washington the misanthropic and corrupting public life and discourse. It would terminate the "Washington obsession" with presidential scandal that currently freezes policy initiative and decision,

and inspires foreign derision. Resignation would dispatch Kenneth Starr back to that underworld of political hate from which a committee of the federal judiciary summoned him four years ago.

It could free the Washington press corps from its corrupting complicity in the debasement of national debate. Resignation would recompense the Democratic Party for Mr. Clinton's abuse of its trust.

The president told the public Monday night that he "must put right" the wrongs for which he accepts responsibility, and he said that he "is ready to do whatever is necessary" to rectify the damage he has done. Resignation is the way to do both.

Sexual infidelity is no matter for presidential impeachment, as everyone knows. The problem does not lie in the offense but in the irresponsibility. As the vast majority of Americans recognize, if private behavior is to be placed under public scrutiny in the United States, it lies about sexual conduct are to be prosecuted as perjury or obstruction of justice, no one is

safe. Certainly no one in Washington is safe.

However that is exactly what has happened, and the consequences of this have to be assumed.

Monday night did not end the affair. Mr. Starr will write his report of the grand jury's findings, and from all that he has said so far, and from what is reported to have been the president's refusal to supply certain details to the grand jury as unacceptable intrusions into his privacy, it must be assumed that Mr. Starr will present Congress with findings that invite formal action against Mr. Clinton for obstruction of justice or perjury.

Thus Mr. Starr will have "won" — indeed, has won. But for the Republican Party, this victory by Kenneth Starr leads toward electoral defeat. The president may be the most humiliated public figure in the country, but Mr. Starr is the most despised.

Once the matter is placed before Congress, the battle becomes political rather than legal. Would Congress take action on Mr. Starr's findings, given the public's demonstrated tolerance for Mr. Clinton's behavior and its approval of his economic policies? Would doing so not do more harm than good to the Republicans in November's congressional elections? On this political terrain Mr. Clinton could very well "win."

However, the cost to the country of going on with the affair is unacceptable. The cost is paid in reputation, influence and political power abroad, in the inability of government to decide and act, and in the damage done to the self-respect of Americans themselves.

The Monica Lewinsky affair is the force that completes the destruction of what set out to be a reform presidency. The author of the farce is the same man who set out to be the great reformer. Mr. Starr, and Mrs. Clinton's "right-wing conspirators" (who indeed exist), have only been players in a

scenario dictated by presidential character. The failure is personal. It is also undoubtedly a consequence of Mr. Clinton's generation having eagerly loosened society from the moorings of its parents' America, while putting little that is serious in their place.

Under Ronald Reagan a restoration of values was celebrated, but this proved illusion. In fact, a nihilistic ideological materialism was set loose. Mr. Clinton, a modern economic determinist ("free markets produce democracy"), is a product of that, too. However, a generation is not a responsible actor, only the individual within it.

Mr. Clinton is a citizen of the America of celebrity culture, self-fulfillment and self-indulgence, and ideologically endorsed greed. He cannot say that he is a victim of his society, since he knew what he was doing.

What remains available to him is the redemptive honorable act, astonishing but edifying to all. What if public opinion were to demand it?

International Herald Tribune
Los Angeles Times Syndicate

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Expressing Contrition Isn't a Simple Affair

By Deborah Tannen

LOS ANGELES — Apologies are very important to many people — perhaps to women more than to men — as a show of contrition and as a prerequisite for forgiveness. This assumption seemed to

In this climate, apologizing might indeed weaken the president in the eyes not only of American citizens but also of potential enemies or negotiators in other countries.

To the extent that the president is the country's leader, many citizens themselves no doubt prefer that he maintain a stance of strength — even of belligerence, ever the fighter. An apology is a ritual that works best when it is matched: I apologize for my part of the blame, but I expect you to apologize for yours.

If people see President Clinton as deserving blame for his behavior, they also see the independent counsel as deserving blame for hounding the president and diverting his (and Americans') attention from affairs of state to what they believe should be a private matter.

Yet it seems unlikely that Kenneth Starr would have responded to a presidential apology with a matching one ("and I'm sorry I put you in an impossible position by subpoenaing everyone you ever spoke to"). This may also have contributed to the president's reluctance to offer one.

Yet the president's statement had many of the crucial elements of an apology. He admitted fault ("It was wrong," "a critical lapse in judgment," "a personal failure on my part"). And he declared his intention to make amends ("I must put it right, and I am prepared to do whatever it takes to do so").

And focusing on anger at the independent counsel's investigation, while offending some critics, probably reflected not only the president's own sentiments but those of a majority of American citizens.

The writer, a professor of linguistics at Georgetown University, is the author most recently of "The Argument Culture." She contributed this comment to the Los Angeles Times.

MEANWHILE

drive the expectation that President Bill Clinton should offer an apology.

But at the same time, many people — perhaps more men than women — resist apologizing because it puts them in a position of weakness that could be exploited in the future.

That is why many of us find ways to express contrition, such as "I'm sorry" and "I regret," that stop short of apology — just as the president did in his remarks Monday.

We live now in what I call an argument culture, in which everything is cast as a metaphorical battle.

What to Do With America's Bad Boy President: Can't We Compromise?

By William Raspberry

WASHINGTON — My friend was, as she put it, appalled. "It was the most pathetic effort to apologize and say 'I'm sorry' I've ever heard. And the worst part about it is that the country had told him exactly what to say."

Her call was a part of a drumbeat of expression I've been hearing since President Bill Clinton's almost-confession that he really had been involved in a sexual relationship with "that woman." If only he had said it right.

My friend was angry that President Clinton had passed

up the opportunity to apologize "in a way that touched people's hearts and minds... to show us that he understood the pain we've suffered... to speak to those of us who've had weak men — husbands, fathers, whatever — in our lives."

Others, like Senator Orrin Hatch, the Utah Republican who heads the Senate Judiciary Committee, were furious that he combined his confession with an attack on Kenneth Starr, the independent counsel whose case against Mr. Clinton seems to have come down to lying —

and perhaps urging others to lie — about the affair with a former White House intern, Monica Lewinsky.

Still others complained about the president's apparent inability to suppress his "Sticky Willie" persona. His denial of a sexual relationship was, he said, "technically accurate" — how? — and misleading but not perjurious. Why, they insisted, couldn't he just come out and say he had lied before and was now determined to tell the truth?

They all would have you believe that if Mr. Clinton had made his confession more contrite, or delivered it more sincerely or refrained from attacking Mr. Starr, then he would have succeeded in putting the scandal behind him.

I don't believe it for a minute. Think of the possibilities: He could have said he had perjured himself before the Paula Jones grand jury — not to mention that he had told a bald-faced lie to the American people — about Ms. Lewinsky, and now that it appeared

there might be physical proof of that perjury (the infamous stained dress) he thought he had better tell the truth.

He could have confessed to a long-standing addiction to reckless sex, perhaps while insisting that the foolhardiness never spilled over into his official duties.

He could have said that his anger over Mr. Starr's too-personal investigation had robbed him of his sense of proportion and led him to drag the country through long months of needless political anguish and constitutional crises.

Or he could have said what most of those who are complaining about what he did say believe to be the truth: "I thought Mr. Starr's investigation of my personal sex life was way out of line, and I should have said so at the outset. In fact, though, I thought there was no way he could prove a thing, so I decided to deny the affair — confident that Monica would deny it, too. I'd still be denying it if I thought I could get away with it."

Can anyone believe that a confession like any of these would have left him better off than he is now?

Once you believe that the affair happened and that President Clinton tried to cover it up after the investigation was under way (not just the lies, but the returned gifts and who knows what else), there is no confession unaccompanied by a resignation that can satisfy.

This is the point his after-the-fact advisers miss, no matter how on the mark the particulars of their criticism may be. I, for one, could not listen to Monday night's speech and believe I was listening to a guy who had learned his lesson and would never ever again cheat on his wife. What I heard was the

bad boy's heartbroken remorse at being caught.

And what should we do with this bad boy? The consistent response, I suppose, is to call for his resignation or impeachment.

Call me inconsistent. I think Mr. Clinton has, in the conduct of his office, been well above average. I do not believe the nation or its economy would be improved by his removal for what is, at bottom, sexual impropriety. O.K., he lied about the sexual impropriety, but cheating on your wife and lying about it are, to my mind, one offense, not two.

On the other hand, I suspect that at least some of his sleazy behavior stems from the fact that he has always gotten away with it.

Is there some compromise between throwing a good president out of office and letting an incorrigible get away with it again?

The Washington Post

Clinton: Untrustworthy

President Bill Clinton's job approval ratings remain extremely high. The public does not want him to resign or be impeached. Among other things, it does not want Kenneth Starr deciding who will be president. The high poll ratings may actually encourage Mr. Clinton's giddy sense that he can get away with anything.

Behind the numbers, however, is the widespread realization that this is a man who has disgraced himself and his office and who cannot be trusted, even by his closest friends.

— Bob Herbert, commenting in The New York Times.

Scaring Off Candidates

In the modern media environment, nothing is private, sacred or beyond trading. The collateral damage from the Clinton scandals will include future presidents, and the Americans who will be less adequately led, because of the culture of scandal that the media cultivate.

There will be capable candidates who will not risk the exposure of a campaign because they, or their spouse or children, or their brother-in-law, did something weak or fallible or craven.

The concentric circles prescribing just what is acceptable and what is controversial in a politician's private life just got a lot smaller, and the smaller those circles get the more people they rule out from consideration for leadership. America's presidents pick thousands of job-holders.

Disappointed but not surprised by Mr. Clinton's priapic predilections, I remain unconvinced by his enemies' arguments. This was not a firing offense. One of the senators loudest in threatening impeachment hails from a state where The Washington Post counts 30,000 polygamists.

Kenneth Starr's tactics and political alliances put him squarely in the category of rogue prosecutor. Mr. Starr

gave a speech two years ago in Detroit raising public questions about Mr. Clinton's "spousal integrity." To me, that was a fatal giveaway of the Whitewater prosecutor's intention to get personal.

— David Nyhan in The Boston Globe.

Presidential Insolence

Mr. Clinton has made fools not just of his staff who went out and lied for him, his cabinet secretaries who vouched for him, his congressional and media allies who defended him, but everyone connected with presidential politics who had been engaged in the "war" declared by the White House in defense of a man who all the while knew it was all a lie.

And not only was he oblivious. He actually had the insolence to put the blame for the "spectacle of the past seven months" on Ken Starr. Ken Starr happens to be the one man in America who finally forced Mr. Clinton to end this charade.

— Charles Krauthammer in The Washington Post.

Yes, This Has to End

Ironically, Mr. Clinton hurt himself by giving one of the most honest speeches he has ever delivered. He is furious, less at himself than at the fact that his foes finally have him in a corner. He is angry that the combination of the Paula Jones lawsuit ("politically inspired") and a special prosecutor intent on getting him ("This has gone on too long, cost too much and hurt too many innocent people") forced him to admit what has been obvious.

Little contrition came through in his speech; the anger did. The problem is that many people who admire Mr. Clinton and think he has been a good president believe he owes them an apology.

He is right about one thing: This has to end. A substantial majority of Americans would prefer that this matter go away and that he serve out his term. But they would also like to be able to trust him. At the moment, many who bear him no ill will don't think they can.

— E.J. Dionne Jr. in The Washington Post.

LETTERS TO THE EDITOR

Weapons Fund

Regarding "Stop This Splurging on Weapons" (Opinion, Aug. 10) by Oscar Arias:

Mr. Arias suggests that nations reduce their weapons spending and contribute their "peace dividend" to a global demilitarization fund.

The idea of such a fund is wonderful, but would this plan really reduce the lucrative weapons trade and would nations make voluntary contributions? The United States does not even pay its dues to the United Nations.

I wonder if it might not be more effective for the United Nations to impose a tax on the weapons trade itself. I think this might provide a more continuous stream of revenue than "good-will" contributions could assure.

LAETITIA DE KANTER, Montreux, Switzerland.

U.S. Health Care

Regarding "Plagued Health Care System" (Aug. 11):

As the problem of health care in the United States looms ever larger, it is possible that President Bill Clinton and his wife, Hillary, may eventually get some credit for being ahead of the curve in the early 1990s, when they tried to reshape the way the nation takes care of its citizens.

JEFFREY HANSELL, Luxembourg.

INTERNATIONAL PORTRAIT PAINTING COMPETITION

ATATURK ON THE 75TH ANNIVERSARY OF THE REPUBLIC OF TURKEY



PORTRAIT PAINTING COMPETITION

"Atatürk on the 75th Anniversary of the Republic of Turkey" Turkey's leading daily newspaper Milliyet, is sponsoring a portrait painting competition.

"Atatürk on the 75th Anniversary of the Republic of Turkey" Following the preliminary assessment of all competition entries, the paintings will be published in Milliyet in full color and also on the Milliyet web site.

The winners of this competition, held to commemorate the 75th anniversary of the Republic of Turkey, will be elected by vote from the Turkish public. Winning portraits will be sold at auction, organized by the Kanan Evren Foundation. Winners will receive monies from the sales according to international norms. Entrants should apply to their local Turkish Embassy or Consulate for information on Atatürk or his photographs.

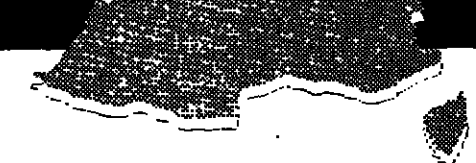
Conditions of entry are as follows:

- Portrait dimensions - 50 cm x 70 cm or 54 cm x 73 cm.
- The painting must be painted in oil on canvas.
- A 15 cm x 20 cm printed photograph along with a transparency of the painting should be sent directly to Yapi Kredi Vakfi Binası 26, Vakıfnevi Caddesi, Nisantasi 80220, Istanbul, Turkey. Tel: +90 212 234 1750, Fax: +90 212 246 0666, E-mail: sarol@biline.net.tr
- The final deadline for the competition is Thursday, 1st October 1998.
- The following prizes will be awarded:
 - First Prize US \$15,000
 - Second Prize US \$10,000
 - Third Prize US \$ 5,000

(Participating artists can enter more than one painting.)

Milliyet

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Leisure

Urbino, Gem of the Renaissance Federico's Palace Epitomizes World of Refinement

By Roderick Conway Morris
International Herald Tribune

URBINO, Italy — If the ideal Renaissance court ever existed it was surely the one presided over by Federico II da Montefeltro in the second half of the 15th century.

Baldassare Castiglione, the leading contemporary arbiter of etiquette and gracious living, certainly thought so, and set his international best-seller "The Book of the Courtier" in Urbino. This gem of a city hidden away amid a central Italian picture-book landscape of rolling hills, a score of miles inland from the Adriatic coast.

Duke Federico, who ruled from 1444 to 1482, was a formidable warrior who financed the enormous palace that still rises with majestic grace over Urbino and the refined pursuits that it was famous for by hiring himself and his private army out as mercenaries. But he was equally adept in the arts of peace, and had himself portrayed in full armor calmly studying one of the books in his vast collection (wearing the Order of the Garter conferred on him by King Edward IV of England, his renown having spread by then throughout the courtly world).

Indeed, a story in Castiglione's "Courtier," epitomizing the philosophy of Federico's Urbino, tells of the cultured lady, who finding herself entertaining a boorish military man, invites him to dance, is refused, so invites him to listen to music, and a series of other pleasant pastimes, all of which are similarly rejected. Finally, she asks in exasperation what does he do. And on receiving the reply, "I fight," advises him, that because there are currently no wars or fighting to be done, he should have himself well greased and put in storage in some armory until he is next required, lest he get any more rusty than he already is.

Federico's palace, which Castiglione described as "a city in the form of a palace," impresses not only by its sheer size, but also by the airy elegance and variety of environments it embraces:

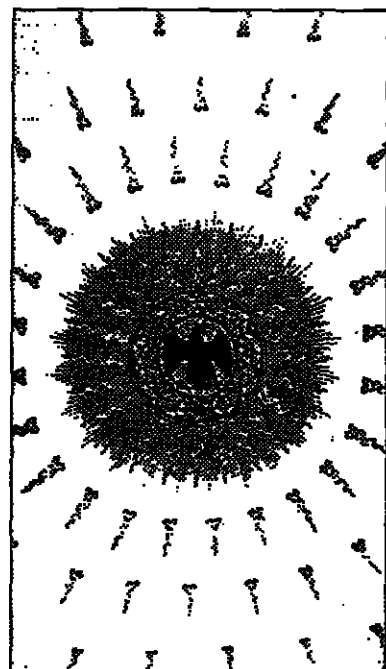
from gardens, grand halls and lofty corridors, to intimate rooms and balconies to which the household and its guests could withdraw to enjoy private pleasures. The most beautiful is Federico's own studiolo, or study, with its wonderful trompe l'oeil marquetry paneling — illustrating every conceivable literary, musical, artistic and scientific pursuit — designed by Botticelli and Francesco di Giorgio.

The palace was begun by the Dalmatian architect Luciano Laurana, but continued by the great Siennese builder, sculptor, painter and hydraulic and military engineer Francesco di Giorgio Martini, who entered the Duke's service in 1472. He strengthened old castles and constructed new fortifications in Federico's domains, which Federico increased threefold during his reign — including San Leo, the vertiginous aerie atop a dramatic pinnacle and the remote stronghold from which the Montefeltro family had emerged in the Middle Ages.

When Francesco came on the scene, much of the external appearance of the palace was as it is today. But he transformed it inside, "burrowing like a mole into the existing structures, completely remodeling and reordering the interior," in the words of the architectural historian Manfredo Tafuri, and creating the range of spaces that make the palace such a harmonious experience.

THE completion of the colonnaded central courtyard was a particular triumph in the revival of classical architecture, and the decorative inscription running round it, enumerating Federico's titles and recording his achievements in peace and war.

Francesco's "burrowing" also led to the construction of a huge subterranean area with cisterns, water filters, laundries, an icehouse (into which, during the winter, snow was shoveled via a shaft from the hanging gardens above), miniature Roman baths, kitchens, stables and waste-disposal chutes. Refined to the last architectural and functional detail and administered according to a set of household rules drawn up by the duke, the



San Bernardino Church and mausoleum of Federico da Montefeltro, right; library ceiling in the ducal palace.

palace at Urbino was not only, as Castiglione wrote, "to the opinion of many men, the fairest that was to be found in all Italy," but also the most comfortable, salubrious and efficiently run.

The palace is now the National Gallery of the Marche, the region of which Urbino is still the cultural capital, and distributed through its apartments is a rich collection of paintings: Piero della Francesca's "Flagellation of Christ" and "Madonna of Senigallia"; Paolo Uccello's "The Profanation of the Host"; Raphael's "Portrait of a Gentlewoman," to name but a few. Here, too, is the futuristic "Ideal City," one of the most elusive of Renaissance images, whose painter and precise meaning remain a mystery.

The collection is strong in works from the 14th and early 15th century, and this year the palace is offering a fine special show, "The Flowering of the Late Gothic in the Marche," which



San Bernardino Church and mausoleum of Federico da Montefeltro, right; library ceiling in the ducal palace.

continues until Oct. 25. It also features other contemporary works from this region on loan from several countries, and books and fabrics.

RARE OLIMPIES Among the most interesting of the painters represented are the local artist Gentile da Fabriano, none of whose pictures now remain in the Marche, with four panels on show here, and the brothers Lorenzo and Jacopo Salimbeni, who also executed fascinating frescoes — a tumultuous crucifixion scene and a sequence illustrating the life of John the Baptist — at the Oratory of St. John, near the palace.

This late-Gothic world was the one into which Federico was born — a world of medieval knightly assumptions, unquestioned pieties and sumptuous decorative surfaces — before he set off on the peregrinations of his youth, during which he drank deep of the New Learning and received the education that was

to make him an outstanding patron of innovative artistic and literary forms.

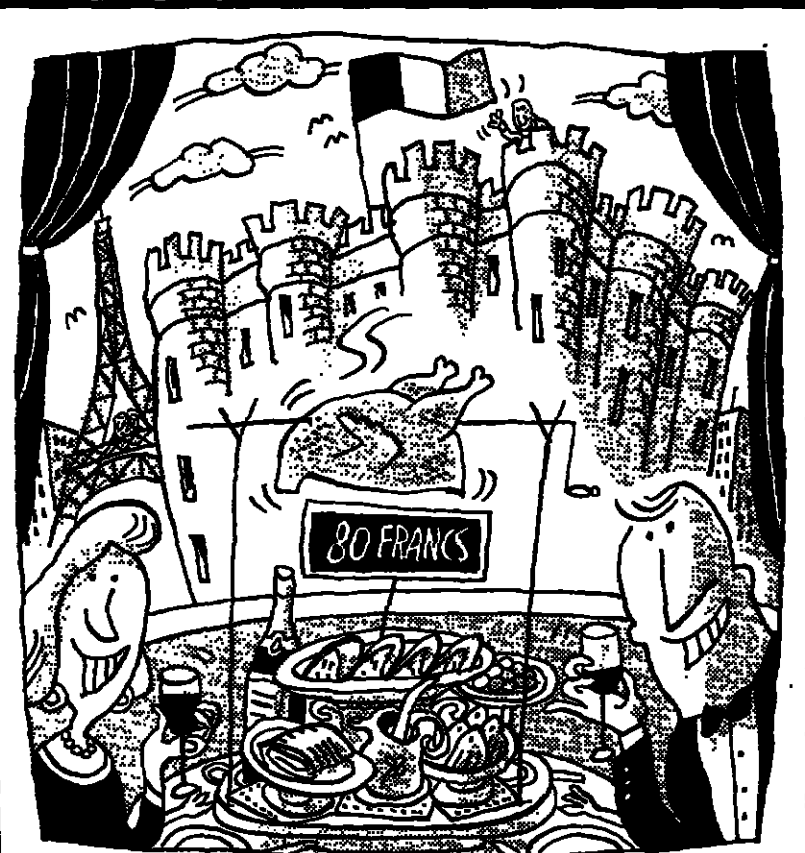
The Renaissance interiors and classical features of the palace, with its miniature Temple of the Muses and Roman baths, seem an age away from these Late Gothic visions, although one feature of the building — the anomalous but charming twin fairy-castle towers — may perhaps have represented for the soldier Federico a nostalgic backward glance in a Machiavellian age to the medieval chivalric epoch.

On a picturesque hill visible from the city is the gloriously positioned and perfectly proportioned San Bernardino Church. Designed by Francesco di Giorgio, it is also the mausoleum of Federico and his son Guidobaldo. Its serene and uncluttered interior brings to mind those of Palladio and, as has now been recognized, Francesco di Giorgio had a considerable influence on his 16th-century Venetian successor. The original al-

terpiece here was Piero della Francesca's famous scene of Federico kneeling before the Madonna and Child and Saints (now in the Brera Gallery in Milan).

Guidobaldo died without children in 1508 and, after various vicissitudes, the dukedom was annexed to the Papal States in 1631. Later, the contents of Federico's stupendous library, which was probably greater than that of any European university at the time, were carted off to the Vatican. Happily for Urbino, shortly before Guidobaldo died he laid the foundations of Urbino's own university. There are now some 25,000 students, as against a local population of about 15,000, giving the place a young and lively profile.

Thus the spirit of Federico and Guidobaldo's Urbino lives on in what is undoubtedly one of the most beautiful seats of learning in the world, and one of the most agreeable places to spend time in Italy.



One's Memorable, Another's Just Dull

By Patricia Wells
International Herald Tribune

PARIS — La Zygossioire, a small roisserie restaurant at the edge of the trendy Bastille neighborhood, is perhaps the city's best buy today. Where else can you have a delicious, can't-finish-it-all three-course meal, with coffee, for 80 francs? And the food is not just O.K., it is memorable and inventive.

On the 80-franc (\$13) menu, one might begin with a chicken-wing salad, made up of a quartet of moist, beautifully roasted chicken wings set on a bed of greens; move on to a faux filet cooked on the rotisserie, and sauced with shallots, then top it off with a dessert of homemade ice cream or sorbet. A la carte starters include the brochettes de légumes anchoïade, excellent brochettes of zucchini, tomatoes and eggplant, with a delicately flavored anchovy sauce and a small green salad alongside. Good main courses include a filet of sea bass grilled on the rotisserie, or a filet of bar, on a bed of Swiss chard greens, served with a round gratin of the celery-like whites of chard.

The wine list offers some offbeat surprises, such as the rarely seen Ladoix, a worthy red from the northernmost village of the Cote de Beaune, and almost always a bargain. The restaurant shares ownership with the popular 12th arrondissement bistro, Les Zygomatics.

It has been a long time since I had a meal in Paris as boring as the one I had the other night at the trendy, and gen-

erally good-buy, Campagne et Provence. The welcome was as chilly as a day in December, the food dull as dishwater and the service amateurish. Walk in with a reservation, suggest you might be seated at that nice sunny table in the window and the head waiter shrugs, suggesting that when he puts people there they always ask to be seated elsewhere. (So when the restaurant is half empty, why not let the customer choose?)

Everyone on the staff (including the chef) seemed to want to be elsewhere. A salad advertised as mesclun was nothing other than a tangle of mixed greens — no herbs, no verve, a few shavings of Parmesan and strips of ham. Equally unimpressive was saffroned rabbit with a "risotto" of epeautre, or "poor man's wheat" — a dish that sounded promising but turned out to be something that might have come from a packaged TV dinner.

Only the wine list — with Alain Brumont's robust 1994 Madiran Meinjarre — and the wholesome sourdough bread from l'Epi Gaulois in the 14th arrondissement saved the evening.

La Zygossioire, 101 Rue de Charonne, Paris 11; tel: 01-40-09-93-05; fax: 01-44-73-46-63. Closed Saturday lunch and Sunday. Credit card: Visa. 80-franc menu. A la carte, 130 to 160 francs, including service but not wine.

Campagne et Provence, 25, Quai de la Tourne, Paris 5; tel: 01-43-54-05-17; fax: 01-43-29-74-93. Closed Saturday lunch, Sunday, and Monday lunch. Credit card: Visa. 120-franc lunch menu and 180-franc and 215-franc dinner menus including service but not wine.

Savoring the Myriad Delights of Istanbul

By Sherry Marker

ISTANBUL — My husband and I flew from Athens to Istanbul one Saturday morning in June, hailed a cab and joined the dense traffic hurtling into Istanbul at 80 miles an hour.

We hoped to do all we had left undone on our last visit, in 1994, when my husband's appendix had ruptured the day after we arrived. Then, we had spent most of our visit not at the Pierre Loti Hotel, a five-minute walk from Hagia Sophia and the Blue Mosque in the Sultanahmet district of the old city, Istanbul, but at the American Hospital.

Now, back at the Pierre Loti, we dumped our bags in our small, bright room and headed out onto Divanyolu Caddesi, the main street in Sultanahmet. The Cennet Restaurant, where musicians drum up business on the sidewalk, was new, but the little shoe repair shop where I had had a sandal fixed on the last trip was still in business in the courtyard of the Atik Ali Pasha Mosque.

Less comfortably, merchants trawling for customers in the vast courtyard of the Blue Mosque still wanted us to follow them and look at "just one" rug, and at Hagia Sophia, the massive church built by Emperor Justinian in the sixth century, tour buses still disgorged battalions of weary sightseers.

We were lucky: On earlier, pre-appendicitis visits, we'd "done" Istanbul's big four — Hagia Sophia, the Blue Mosque and the Topkapi and Dolmabahce Palaces. Now, we were here to take in this city that bridges the Bosphorus and two continents. We knew that much of what we wanted to do would be free — visiting neighborhood street bazaars and the Grand and Spice Bazaars, strolling in Yildiz Park overlooking the Bosphorus, or along the Golden Horn. Much else would be very cheap — most mosques suggest only a modest voluntary donation and even famous monuments usually charge no more than \$2 admission.

THE BIG SPLURGE

Giddy at the prospect of so much pleasure for so little money, we decided to splurge, and slipped into the cool, green courtyard of the Yesil Ev Hotel, one of a number of small, reasonably priced hotels in nicely restored Ottoman houses in the Old City for a glass of raki, the Turkish firewater that makes every other drink seem a delicate aperitif. Then we headed out to the Sultanahmet Kofteci, a two-story restaurant that has been serving grilled meatballs since 1920 and still draws a largely Turkish crowd in the middle of touristy Stamboul. Little boys in white shirts and trousers, all wearing sequined crowns and fringed red and white capes, feasted with their families to celebrate the successful completion of the ritual circumcision ceremony that Turkish Muslim boys undergo before puberty. Our bill, for ayran (a yogurt drink), bean and lettuce salads, and the succulent meatballs topped with the fiery green peppers we've always suspected could deal the coup de grace to an appendix, was \$6.80 for two.

That night, unable to sleep as I listened to the call to prayer from nearby mosques, I got up and peered out the window, watching seagulls soar above the steam rising from the domes of the Cemberlitas Bath, where I had been



Hagia Sophia, built in the sixth century by the Emperor Justinian, looms beyond a park in Istanbul's old city.

steamed and scrubbed in 1994. As I watched the gulls, I remembered that on our flight from Athens to Istanbul, I had discovered that the Greeks on board were en route to a Sunday service at the Patriarchate, the headquarters of the Greek Orthodox Church that resolutely remained in Istanbul after the fall of Constantinople in 1453. Both the Greek Patriarch and the Archbishop of Athens and All Greece would officiate and, I was assured, I would see "wonderful things" if I went. So, after attacking the Pierre Loti's breakfast buffet, we grabbed a cab to Fener, once a prosperous Greek district that is now a backwater of twisting streets with remains of formerly elegant wooden mansions along the Golden Horn.

We slipped into the back of St. George's Church and were enveloped in incense and liturgical chants. Members of the congregation lighted votive candles and kissed holy icons, all the while elbowing their way closer and closer to the front of the church, where the mitered patriarch sat in splendor on an elaborately carved 16th-century wooden throne inlaid with ivory and mother-of-pearl. We crept closer and climbed up on a platform erected near the altar for television crews. There, we watched as chanting clerics in robes and miters stiff with jewels, pearls and embroidery moved through the packed church with icons encased in gold and silver.

COBBLED STREETS After several hours, with the service showing no signs of ending, we left the Greek world of Constantinople, and returned to Turkish Istanbul. We wandered through a maze of cobbled streets, whose only shared characteristic seemed to be that all went steeply uphill, past small, neighborhood mosques and street-side fountains.

Our next day was something of a blur. In rapid succession, we took in the view of the Golden Horn from the terrace of the Mosque of Selim I and visited the small church of St. Saviour in Chora, now the Kariye Camii Museum, whose

brilliantly restored 14th-century mosaics are one of Istanbul's greatest treasures (entrance \$2).

We walked uphill from Kariye Camii, collecting a clutch of small children asking for "bobos," until we reached the Byzantine defense walls, which once encircled the city. We sat for a while in the shade of the remains of the monumental arched Palace of the Porphyrogenitos (today called the Tekfur Sarayı).

Later, we sipped glasses of apple tea (\$1.60 for two) on the terrace of the Pierre Loti Café. It is named for the 19th-century French novelist and Turkophile, who spent his time in Istanbul smoking water pipes and suffering unrequited love for the beautiful Turkish woman who inspired him to write the romantic novel "Aziyade."

From the café, we walked down the wooded hill through the Eyup Cemetery, where women's graves have marble tombstones carved with a rose for each child, and the men's are topped with the fezzes and turbans indicating their status in life. By now, I was tired. But I staggered on to the Eyup Mosque, the holiest in Istanbul, where we saw the footprint, in marble, that tradition says Mohammed left at the tomb of his standard bearer, Eyup Ensari.

Over the next few days, I went several times to the Spice Bazaar and the Grand Bazaar, arriving before 9 A.M., when shopkeepers were setting up their wares, before they began to pursue browsers. Across the Golden Horn, I went to the Balık Bazaar street market and bought bags of sweet, red cherries for immediate consumption and boxes of Turkish delight candy to take home as presents. At the Military Museum (entrance 60 cents), I listened to the wail of wood and brass instruments while the Mehter Military band, in bright red uniforms topped with flowing red robes, marched and sang.

Laden with sacks of chili pepper and vials of saffron, with my ever-expanding collection of blue glass evil eyes, vital for warding off demons from my computer,

I visited first the Cemberlitas (\$15) and then the Hagia Sophia (\$20) baths — then, just to make sure that I really did like the Cagaloglu better, returned once more, leaving the last of my epidemics behind. I couldn't resist the Cagaloglu bath attendants who sang as they squeezed pillowcases of warm, soapy water over me, kneaded each knuckle and polished the crevices between each toe.

My husband and I would meet for lunch or dinner, one day shooting the budget on artichokes, mixed hors d'oeuvres and sea bass at Pandeli's, the marvelous old restaurant overlooking the Spice Bazaar (\$56 for two with two beers each). Another time, we met at Boncuk, one of a series of hole-in-the-wall restaurants on an alley off the Balık Bazaar. There, we achieved a personal best in the number of mussels and fluffy fried fish balls we ate (\$14.40 for two with two beers).

On our last day, we bought tickets (\$4.80 for two) and boarded a boat, crowded with Turkish families carrying satchels with picnic food, that crisscrossed the Bosphorus, docking briefly at villages in Europe and in Asia. At the last stop, Anadolu Kavagi, we got off and followed a path past cows dozing in the sun, through a small cemetery, to the Byzantine and Genoese fortresses that guard the entrance to the Black Sea. There, picnickers, sheep and more cows sprawled in the shade of the ramparts, ignoring the superb view over the Bosphorus toward the Black Sea.

We strolled downhill, and stopped for mussels at the Doner Midyeta Balık restaurant on a side street off the harbor and, afterward, we sailed back along the Bosphorus to Istanbul, to pack our bags for the flight back to Athens.

Sherry Marker, who travels frequently to Turkey and Greece, wrote this for The New York Times.

THE CAR COLUMN

The Mazda MX-5: Still Way Out Front

By Gavin Green

THE Japanese, who generally make the best cars in the world, are often accused of copying not innovating. There have been many theories put forward for this, ranging from their collectivist approach to management (so that individual genius, necessary for revolutionary products, is suppressed) to an acknowledgment that it is better to be second and best, than first and subsequently worst.

This want of innovation is a slur most often thrown by European bosses, usually shortly before the Japanese beat them again. It has, after all, taken the Europeans very much longer to learn from the Japanese than it took the American car bosses, possibly because Americans have always been less headstrong and less set in their ways.

After all, look how long it took the Europeans to realize that there was still a market for inexpensive roadsters? They'd all cleared out, back in the '70s and early '80s, certain that the future was in mass-produced tin boxes and that sexy, characterful little sports cars — of which European makers were once masters — were as passé as mechanical watches and fountain pens.

WHERE THE COPYING ENDED

Then along came Mazda with the MX-5, or Miata as the Americans call it. Yes, it was a copy — of sorts — of old British and Italian roadsters, similar in concept and style. But that's where the copying ended. Unlike cheap British and Italian roadsters, the Mazda was reliable, didn't rust and didn't leak. It could play the part of day-to-day

transport or it could also be a great Sunday and fun-days car. It was a buzz to drive, as well as to own.

Its success made Alfa, Fiat, MG, Lotus, Porsche and BMW — the previous dominators of the genre — look silly. They were off making sedans or supercars (or in the case of MG, nothing), convinced that nobody wanted a car like the MX-5. Mazda's sales clearly showed that people did.

So the Europeans quickly jumped back into the market. The MG emblem was dusted off and affixed to a modern, mid-engine baby that everybody loved, never mind that it never occurred to the company to engineer it for America, easily the MX-5/Miata's biggest market. Fiat and Alfa raced back in, too, as did Porsche and BMW, further upmarket. So did Lotus, although, typical of British companies at the time, it forgot to do its sums right. It turned out that the short-lived new Elan cost more to make than its sticker price.

These new-wave European roadsters didn't give the MX-5 any sales

grief, for the simple reason that the Mazda was still a much better value. But all good things have to change, and Mazda has just unveiled its new and improved MX-5/Miata.

The body is new, although it looks unmistakably like the old one. The cute little chrome door handles have been replaced by everyday mustache-shaped Mazda sedan ware, and the pop-up lights have also been ditched in favor of Mazda corporate-style fixed lights. I prefer the look of the old model, although most of my friends seem to prefer the new one, citing its smoother, more melted shape.

EASY TO SEE Everyone will prefer the new rear glass window, which replaces the rear plastic screen. It's easier to see through, and if you live in cold Europe rather than hot California, it's simpler to de-mist in winter. Also, unlike the old, you don't have to unzip it before lowering the roof. That fold-back roof is a brilliantly simple piece of design, an exemplar in the field, and miles better than any manu-

al folding arrangement on European cars.

The greatest improvement is in the driving experience. Now, there was hardly a lot wrong with the old MX-5 on this front. It was light, fast and nimble, aided by that snug cabin and the rifle-bolt direct gear-change. You still wear an MX-5, rather like a hand wears a glove, but the handling is now even better because the body is stiffer. It steers better, rides better and, most noticeable of all, is more responsive at higher speeds. It now feels more like a track car than ever.

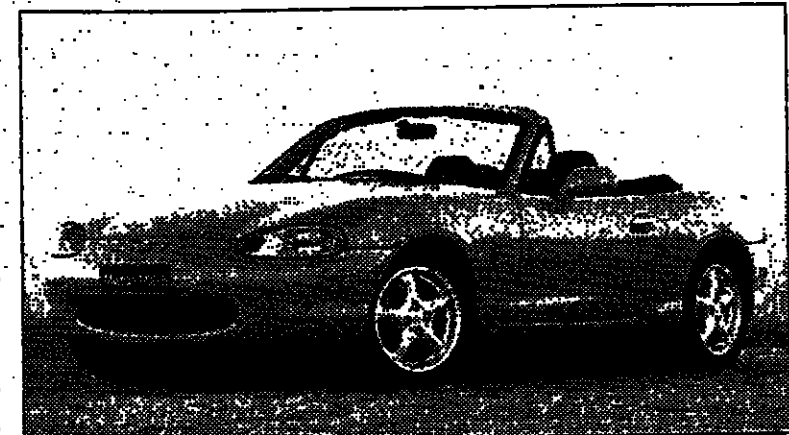
The engines and transmissions are much the same, and the Mazda is still the only inexpensive front-engine/rear-drive sports car, a huge advantage in driving enjoyment. All the great old roadsters had the same arrangement and, increasingly, so do the best big-money sports cars.

The new MX-5 confirms Mazda's primacy in the inexpensive roadster market. It's also the world's most commendable open-top sports car. It is huge fun, looks great, is as fast as you'll ever need to go, handles better than most rivals of triple the price, and is probably the most reliable sports car ever made. Not bad coming from a country where all they can do is copy.

• Mazda MX-5 (Miata) 1.8i. About \$27,000. Four-cylinder 1839cc engine (1597cc model also available), 140bhp at 6,500 rpm. Rear-wheel drive, five-speed manual transmission. Top speed: 205 kph (127 mph). Acceleration: 0-100 kph in 8.0 seconds. Average fuel consumption: 8.5 liters/100km.

Next: Renault Laguna

Gavin Green is editor in chief of Car magazine.



Nicolas Cage as the sleazy detective Rick Santoro in De Palma's "Snake Eyes."

SNAKE EYES

Directed by Brian De Palma.

U.S.

Brian De Palma's hot new thriller is a great big juicy gob of apocalyptic paranoia set in a garish Atlantic City hotel and casino called the Millennium on the night a tropical storm named Jeebel is bearing down on the New Jersey coast. The storm, which is upgraded to a hurricane, has swished in just in time to jack up the excitement surrounding a heavyweight championship boxing match. The movie's vertiginous opening sequence follows the mad dash of the event's maniacal security chief, a local police detective, Rick Santoro (Nicolas Cage), through the arena minutes before the opening bell. Leaping down stairs, dancing through corridors, barking salutations to one and all as though he were the world's official greeter, this shark-grinning, bullying speed demon fields calls from his girlfriend and his wife on his cell phone and places a last-minute bet with his bookie. It is the night of nights for Rick, a petty king of sleaze who dreams of one day becoming Atlantic City's mayor, and Cage squeezes every last rancid drop of self-congratulatory ferocity out of his character's glad-handing rampage. This pre-bout strut ends at ringside where Rick joins forces with his best friend, Commander Kevin Dunne (Gary Sinise), the ice-cool naval officer in charge of security for the visiting secretary of defense (Joel Fabiani). As the fight begins, the camera, ignoring the boxers, anxiously pans the flushed faces at ringside and notices two conspicuously out-of-place patrons. One, wearing a cheap blond wig, awkwardly plunks herself down beside the secretary of defense. A

few seats away sits a buxom, frizzy-haired red-headed woman who appears to be without an escort. The fight has barely begun before the knockout punch arrives out of the blue, and the ensuing pandemonium muffles the sound of gunshots. But when the secretary of defense falls, mortally wounded, and the woman in the blond wig flees, her arm grazed, her white dress spattered with blood, panic sweeps through the arena, and 14,000 terrified patrons stampede toward the exits. If nothing else in "Snake Eyes" matches the opening sequence in adrenaline-pumping excitement, the movie never quite fizzles. It just gets sillier and more exaggerated in the self-parodying ways that De Palma's movies often do. (Stephen Holden, NYT)

HALLOWEEN: H20

Directed by Steve Miner.

U.S.

In "Halloween: H20," they don't have to cut to the chase: it's all chase. Hasty, dolish and, thank God, short, the movie watches as, yet again, a blank-masked psychopath named Michael Myers folds, spindles and mutilates his way through a batch of high school seniors. We've only seen this six times before. What's missing is the sense of Puritan repression the original "Halloween" creator, John Carpenter, brought to the canon, a brilliant stroke that gave the first film a titillating subtext. Carpenter's Mike did only "bad girls" while sparing the virginal, the cheerful and the perky. This new Mikey: He'll kill anything. What's not missing is Jamie Lee Curtis, the original virgin survivor of 20 years ago, then as now Mike's sister — talk about a dysfunctional family! Like Mikey, she's grown up; unlike her

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ARTS GUIDE

AUSTRIA

KREMS
Kunsthalle Krems, tel: (0) 2732-82698, closed Mondays. Continuing/ To Sept. 8: "Antoni Tapies: Paintings, Sculptures and Drawings, 1981-1997." More than 70 paintings, sculptures and drawings by the Catalan artist.

BELGIUM

BRUSSELS
Memlingmuseum, tel: (50) 44-68-44, open daily. To Dec. 6: "From Memling to Pourbus: Focuses on artistic production in Brussels in the 15th and 16th centuries. Features paintings by Hans Memling (c. 1433-1494), Gerard David (c. 1480-1523) and Pieter Pourbus (1510-1584), as well as sculptures, tapestries and manuscripts.

BRITAIN

EDINBURGH
Scottish National Gallery of Modern Art, tel: (131) 332-2268, open daily. To Oct. 25: "Mona Hatoum." Features 46 works and installations by the Lebanese-born artist (born 1952), ranging from photographs and videos to sculptures made from materials such as hair, wax, soap, steel and razor blades.

LONDON

British Museum, tel: (171) 638-1555, open daily. To Nov. 15: "Japanese Buddhist Arts of the Edo Period, 1600-1868." Sculpture, ritual implements, paintings and prints reflecting the burgeoning of new Buddhist festivals and other religious observances during the development of Edo (Tokyo), Kyoto and Osaka.

CANADA

TORONTO
Art Gallery of Ontario, tel: (416) 979-6848, closed Mondays and Tuesdays. Continuing/ To Sept. 20: "The Courtauld Collection." More than 70 Impressionist and Postimpressionist works on loan from the eponymous institute in London.

FRANCE

PARIS
Musée du Louvre, tel: 01-40-20-51-51, closed Tuesdays. Continuing/ To Sept. 21: "L'Apparence des Cieux: Astronomie et Astrologie en Terre d'Islam." Brings together objects that were used by the Arabs to explore the sky from the 10th to the 19th century.

Centre Georges Pompidou: Un Choc. A selection of works from the Fauves to Masson and Dubuffet.

GERMANY

BERLIN
Deutsche Guggenheim, tel: (30) 34-07-41-34, open daily. Continuing/ To Sept. 8: "From Durer to Rauschenberg: A Quintessence of Drawing — Masterpieces from the Albertina and Guggenheim." Brings together more than 80 drawings spanning five centuries.

ITALY

ROME
Gallerie Borghese, tel: (6) 52-81-01, closed Mondays. To Sept. 20: "Bernini and the Birth of Baroque." Works by Gian Lorenzo Bernini (1598-1680). A sculptor and an architect, Bernini attracted the patronage of Cardinal Scipione Borghese and commissions from Pope Urban VIII.

JAPAN

TOKYO
Tokyo Metropolitan Art Museum, tel: (3) 3823-6921, closed every third Monday. To Oct. 4: "Masterworks from the Carmen Thyssen-Bornemisza Collection." Paintings on loan from the Madrid collection, including European and American works from the 18th century to the beginning of the 20th. The exhibition will travel to Tokyo, Nagoya and Sendai.

NETHERLANDS

AMSTERDAM
Rijksmuseum, tel: (20) 673-2121, open daily. Continuing/ To Aug. 30: "From Rembrandt to Oil Painting: Changes in Venetian Painting." Documents the technical innovations that changed the style of Venetian paintings between 1460 and 1560.

SOUTH KOREA

YONGIN
Ho-Am Art Museum, tel: 0335-20-18-51, closed Mondays. To Aug. 30: "Art of Amida's Pure Land." Fervent belief in the Amida, or the Buddha of Infinite Light, left its mark on Korean culture and artistic forms, and became a major theme among Buddhist artworks. Amida's art includes Buddhist triads, statues, paintings, illustrated sutras, and incense burners.

SPAIN

BARCELONA
Fundacio Caixa de Catalunya, tel: (9) 484-6900, closed Mondays. Continuing/ To Aug. 30: "Paul Delvaux." Paintings by the Belgian

painter (1897-1994): Although considered a Surrealist, Delvaux created his own poetic universe of railway stations, classical architecture, symmetrical gardens, female nudes and inaccessible statues.

UNITED STATES

NEW YORK
Guggenheim Museum, tel: (212) 423-3500, closed Thursdays. Continuing/ To Sept. 7: "Wilhelm Hammer, 1864-1918: Danish Painter of Solitude and Light." Landscapes and interiors painted in a realistic style, with a limited palette of muted colors, predominantly in grays.

SWITZERLAND

LUGANO
Villa Favaria, tel: (91) 972-1741, open Fridays, Saturdays and Sundays. Continuing/ To Nov. 1: "Theatre of Reason — Theatre of Desire: The Art of Alexander Benois and Leon Bakst." Recreates the world of Diaghilev's Ballet Russes through the work of the two Russian artists.

MARTINIQUE

Fondation Pierre Gaudet, tel: (027) 722-39-78, open daily. To Nov. 22: "Paul Gauguin, 1848-1903." A retrospective of 120 lesser-known paintings, works on pa-

per and woodcuts by the French painter and sculptor.

PERU/MEXICO NOW

Point of Departure. Chicago Cultural Center, Chicago.
Aug. 23: "Intimate Encounters: Love and Domesticity in 18th-Century France." Museum of Fine Arts, Houston.

ASIA

Aug. 23: "Picasso and Photography." Tempozan Gallery, Osaka, Japan.
Aug. 25: "Marc Chagall." Dalmaru Museum, Tokyo.

EUROPE

Aug. 23: "The New World of the Greeks: Ancient Art from Lower Italy and Sicily." Romisch-Germanisches-Museum, Cologne.
Aug. 23: "The Bernhard Mayer Collection." Kunsthhaus, Zurich.

CLOSING SOON

AMERICAS
Aug. 23: "Hogarth and His Times." National Gallery of Canada, Ottawa.

Aug. 23: "Landscape Drawings, 1500-1900." The Getty Center, Los Angeles.

Aug. 23: "Mexico Ahora: Punto de

Partida." Mexico Now: Point of Departure. Chicago Cultural Center, Chicago.

Aug. 23: "Landscape Drawings, 1500-1900." The Getty Center, Los Angeles.

Aug. 23: "Celebrity Caricature in America." National Portrait Gallery, Washington.

Aug. 23: "Picasso and Photography." Tempozan Gallery, Osaka, Japan.

Aug. 25: "Marc Chagall." Dalmaru Museum, Tokyo.

Aug. 23: "The New World of the Greeks: Ancient Art from Lower Italy and Sicily." Romisch-Germanisches-Museum, Cologne.

Aug. 23: "The Bernhard Mayer Collection." Kunsthhaus, Zurich.

Aug. 23: "Die Sammlung Georg Reinhardt." Kunstmuseum, Winterthur, Switzerland.

Aug. 23: "Louise Bourgeois: Obras Recientes." Centro Cultural de Belem, Lisbon.

Aug. 23: "From Minimal to Conceptual Art." Tel Aviv Museum of Art, Tel Aviv.

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INTERNATIONAL

Suspected Head of IRA Spin-Off Fearful as Violent Cause Loses Support

By T.R. Reid
Washington Post Service

DUNDALK, Ireland — It was in this classic Irish town, where the granite tower of St. Patrick's Cathedral looms high over the potato fields, that Mickey McKevitt learned the hard ways of the Irish Republican Army.

In 1975, when Mr. McKevitt was still a junior foot soldier in the Irish nationalist guerrilla group, he was confronted by IRA "comrades" who told him he had to be disciplined for breaking some rules. As punishment, they shot him in the right leg. Then, for good measure, they shot him in the left. During weeks of treatment and rehabilitation, Mr. McKevitt resolutely refused to tell the police anything about his as-

sailants. Having thus proved himself to be the kind of "hard man" that the IRA has always cherished, he worked his way up over the next two decades, according to observers of the movement.

But today that "hard man" is perhaps the most hated man on this island.

Mr. McKevitt, 49, has been widely reported to be the head of the IRA splinter group — called the Real IRA — whose bomb killed 28 people in Omagh, Northern Ireland, on Saturday, the bloodiest single incident in three decades of sectarian warfare over the division of the island between the Republic of Ireland and the British province of Northern Ireland. Although he has not been charged in connection with the bombing — and denies any involvement in it — Mr. McKevitt told

his parish priest Tuesday that he was frightened, the priest said.

The Omagh car bombing prompted such intense revulsion for the Real IRA that Prime Minister Bertie Ahern of Ireland held an emergency cabinet meeting in response to propose what he called "extremely Draconian" new steps to crack down on suspected terrorists.

If approved, as expected, by Parliament, the new code will authorize the jailing of suspected members of banned organizations strictly on the word of police or undercover agents; currently, some corroborating evidence is required to hold suspects. It also will create a new crime category, "directing terrorism," to be applied to those who recruit others to shoot people or plant bombs. Perhaps the worst consequence of the

attack for Mr. McKevitt and the Real IRA faction — which opposes the Northern Ireland peace agreement — is that they have lost almost all support within their own community of republicans, those who oppose British rule in the province and advocate Northern Ireland's union, by warfare if necessary, with the Republic of Ireland.

Evidently recognizing that the latest bombing had backfired against its cause, the Real IRA has issued apologies to the victims, saying the carnage was unintentional, and it announced this week that it had suspended its bombing campaign. These second thoughts did nothing to diminish the public rage against the group — even in this coastal area near the border with Northern Ireland, where most of the 100 or so members of the Real IRA live.

"Dundalk has been known for some time as a republican town, and even an IRA town," said John Woods, a local lawyer. "But this current IRA crowd, they speak for nobody. The very definite message to these people from their neighbors is, 'Get out of our town.'"

Several hundred people staged a protest march Wednesday from downtown Dundalk to Blackrock, the housing development where Mr. McKevitt lives with his partner, Bernadette Sands, also a political activist, and their three children. She is the sister of an IRA hero, Bobby Sands, who died during a hunger strike in 1981 while he was imprisoned for terrorism. She describes herself as a peaceful political organizer.

The couple say they have no connection to the Omagh bombing, but their

neighbors do not seem to believe them. For the past two days people in Dundalk have been leaving signs reading "Shame!" and "Murderer!" at the door of the print shop she runs in the local shopping mall. Other merchants, who declined to be identified for fear of retribution, say they have demanded that the mall manager evict Ms. Sands.

Ms. Sands and her family have gone into hiding because of the threats. Mr. McKevitt broke with his former comrades last fall when the IRA and its political wing, Sinn Féin, endorsed the movement toward a peace agreement. According to police officials, he set up the Real IRA, recruiting members from the IRA's "engineering department" — the bomb squad — and equipping them from IRA ammunition caches.

How Bin Laden Moved From Ally to Foe

By Tim Weiner
New York Times Service

WASHINGTON — Osama bin Laden, the ultimate target of the military strikes on Afghanistan and Sudan on Thursday, has been the world's leading individual sponsor of terrorist attacks against Americans since 1992.

In what turned out to be about an hour before the air strikes, Mr. bin Laden was interviewed by telephone by a Peshawar, Pakistan-based correspondent for The News, a leading Sudanese English-language daily. Mr. bin Laden denied that he had had any role in the bombings of the U.S. embassies in Kenya and Tanzania.

"But I urge Muslims all over the world to continue the jihad against Americans and Jews," he said.

Thursday evening, the same correspondent managed to get through to Kandahar, Afghanistan, the Taliban headquarters. A man there identified only as Abdullah said that the air strikes had been against Khosht and Jalalabad, cities in Afghanistan where journalists had met with Mr. bin Laden in the past.

Mr. Abdullah said that Mr. bin Laden had been in Khosht on Thursday. But he added that Mr. bin Laden was safe — that he was not killed or hurt by the strikes.

Heir to a \$250 million fortune built by his father, who constructed palaces, mosques and public works for the Saudi royal family, Mr. bin Laden spent the 1990s building a global network of armed fundamentalists, backed by businesses and banks that functioned as front organizations. "He has a very intricate financial infrastructure," a senior U.S. intelligence official said. "He has networks on every continent almost. He has an infrastructure that's very, very replete with capability, people, money."

Fueled by rage against America's political and military power in the Middle East, Mr. bin Laden declared war against U.S. interests everywhere, saving his strongest anger for American forces and allies in his homeland, Saudi Arabia.

This year, he publicly warned that American civilians were his targets as well.

Mr. bin Laden was once known to the United States as an ally.

"We knew him as one of the Saudi benefactors who took care of widows and orphans" in the war fought by the American-backed Afghan rebels against 110,000 invaders from the Soviet Union, said a retired American official who helped fight that long battle from 1979 to 1989.

In 1979, immediately after the Soviet invasion of Afghanistan, "I was enraged and went there at once," he said in a 1993 interview. Through the 1980s, he spent millions supporting the Afghan guerrillas, financing hundreds of volunteers who came from throughout the

Islamic world to fight in Afghanistan, and creating a network of guest houses and charities to support them and their families.

Zalmay Khalilzad, a former State Department and Pentagon official who monitored the war, said: "He had a common cause with the United States. But with the end of the Soviet occupation in 1989, his struggle became the struggle against the United States, the dominant power in the world and in the Middle East."

He returned to Saudi Arabia in 1989, and began to support militant Islamic groups opposing moderate Islamic governments. The roots of his rage against the United States lie in the 1991 Gulf War and the continuing presence of U.S. troops on the sands of Saudi Arabia. He swore to fight a holy war against what he called "the crusaders" trespassing on the holy sites of Islam.

"What this man thinks about every day is: How do I get the U.S. out of my home in Saudi Arabia, and how do I get those corrupt pharaohs out of power?" said Kenneth Katzman, a former analyst for the Central Intelligence Agency who is the Congressional Research

service's resident expert on terrorism.

In 1991, after the Gulf War was over, he moved to Sudan, where he formed a close alliance with that nation's most powerful man: Hassan Turabi. The leader of the governing party, the National Islamic Front, Mr. Turabi saw himself as the Grand Vizier of Islam, the successor of Ayatollah Ruhollah Khomeini as the leading voice for Islamic fundamentalism in the world. Their activities helped place the Sudan on the United States' short list of state sponsors of international terrorism.

"Bin Laden is inspired by Turabi's expansive vision; he sees eye to eye with him," Mr. Katzman said. "Turabi has Islamic credentials bin Laden could never have. They are allies. They are close associates. They are business partners. Bin Laden is Turabi's alter ego, his field commander, his operations chief."

The National Islamic Front is a financial partner in Mr. bin Laden's import-export, agricultural cooperative, construction and Islamic banking businesses based in and around Khartoum, the capital of Sudan.

"Bin Laden has made financial con-



Osama bin Laden, the Saudi dissident linked to terrorist plots.

tributions to the Sudanese military industrial complex," a senior U.S. intelligence official said Thursday. "Of which, we believe, the Shifa pharmaceutical facility is part." That plant was bombed by the United States on Thursday.

U.K. to Toughen Terror Laws

By Youssef M. Ibrahim
New York Times Service

LONDON — Prime Minister Tony Blair pledged Thursday to toughen anti-terrorist laws in Britain, matching draconian measures announced by the Republic of Ireland following the bombing that killed 28 in Omagh, Northern Ireland, on Saturday.

Mr. Blair said from the south of France where he is on holiday with his family. "We will bring in similar measures to those proposed by the Irish government, so we will then have the toughest anti-terrorist measures for the whole of the island of Ireland, the Republic and Northern Ireland, that we have ever seen."

While Mr. Blair did not elaborate on the specifics, the measures adopted by Ireland that he proposes to emulate include widening government power to intern terrorist suspects without trial, tightening up bail conditions for those accused of crimes and restricting the options of their right to silence under questioning.

The upshot of these measures, officials here said, is to make it easier to

obtain convictions against suspected members of terror groups or take them off the streets for lengthy periods of time. A spokesman for Mr. Blair said the prime minister did not at the moment contemplate new legislation, as many of these measures could be taken by stretching the application of existing British laws. But he noted that if new laws were required, "we will do whatever is necessary."

A senior member of the Tory opposition, Andrew Mackay, the shadow Northern Ireland minister, said that his party would give full support if new laws were necessary to bring about a crack-down on terrorist activities.

Paul Murphy, a Northern Ireland minister, said on BBC Radio that Britain was working hand in hand with Ireland to track down those responsible for the attack. "The purpose of all this, of course, is to catch these people, to ensure they are caught as quickly as possible, that they are arrested, that they are convicted and put into prison," he said.

The size of the carnage grew Thursday as medical officials in Belfast reported that 330 people had been injured.

FLU: Scientists and Grave-Diggers Burrow Into the Arctic Seeking Viral Evidence to Explain 1918 Pandemic

Continued from Page 1

cemetery moved Ms. Duncan to tears: Johan Bjerk, William Henry Richardson, Ole Kristofferson, Magnus Gabrielsen, Tormod Albrigtsen, Hans Hansen and Kristian Hansen.

Ms. Duncan impressed Norwegian authorities with the importance of the project: isolating and describing at last the unknown 1918 virus. She emphasized the safety precautions that would be taken. The authorities then obtained permission from the families to exhume and autopsy six of the seven bodies (all but Mr. Kristofferson's). By the time the permissions came through, Ms. Duncan had gathered an international group of pathologists, virologists, molecular biologists, geologists and medical archeologists for the work ahead.

A survey with ground-penetrating radar established that the bodies, resting side by side, were indeed in permafrost and thus ought to be well preserved for medical study. A team of experienced grave-diggers from Necropolis Co. in London was hired.

After the topsoil is removed by spade and the permafrost is penetrated by electric jackhammer, Dr. Charles R. Smith, a pathologist from the Hospital for Sick Children at the University of Toronto, plans to remove samples of tissues from the lungs, intestines and other organs of

the dead, who were not embalmed. The bodies will not be thawed or taken from the grave, both out of respect and as a precaution against the spread of any infectious material. The scientists doubt that any of the flu virus will still be alive. But, just in case, they will be wearing modified space suits with self-contained breathing apparatuses.

Once the tissues are extracted, portions of each sample will be sealed in separate vials and shipped to laboratories in Norway, Canada, Britain and the United States. The most sensitive investigations will be conducted at the U.S. Army's infectious-disease research laboratory in Fort Detrick, Maryland, and at the National Institute of Medical Research in London. Both are equipped to maintain the highest levels of biological containment of unknown and possibly dangerous organisms.

Dr. Tom Bergan of the University of Oslo, a virologist on the team, said the tissue samples would not be touched at the cemetery or until they arrived at the laboratories. "Our first obligation is safety requirements against the risk of contamination," he said. "We want to make sure there is no viable virus in the sample and, if there is, protect against its escape into the environment."

The research, Dr. Bergan said, may help determine the composition, genetic structure and nature of the 1918 virus, in

particular its exterior surfaces, where the virus attaches itself to the lining of the lungs and the upper respiratory tract. Such knowledge could lead to the development of a vaccine against this acute form of influenza and to tests and modifications of current or new anti-viral drugs for treating the disease.

The pandemic occurred at the close of World War I, when doctors had yet to learn that influenza is caused by a virus. They had no antibiotics to treat bacterial infections like pneumonia that often attacked the weakened flu victims and contributed to death.

Project scientists said it might take several months of analysis, maybe a year, before they would be ready to publish their findings.

Their project comes at a time when their search for the 1918 virus has gained momentum on several fronts. Last year, Dr. Jeffrey Taubenberger, a biologist at the Armed Forces Institute of Pathology in Washington, reported finding virus fragments in the lung tissue of two U.S. soldiers who died of flu in World War I. The specimens were in an inventory of autopsy tissue, soaked in formaldehyde and encased in paraffin, that the army has kept since the Civil War. The analysis of the material has enabled the scientists to map at least one of the virus's protein-making genes.

Dr. Johan Hultin, a retired pathologist

who lives in San Francisco, went to the tundra of Alaska last year and exhumed the well-preserved body of an Eskimo woman who died of the 1918 flu. He sent lung tissue samples to Dr. Taubenberger, who was able to isolate more viral traces.

These findings encouraged Ms. Duncan's team in the belief that they would also find traces of flu viruses in permafrost burials. But for a time, Ms. Duncan herself wondered if there was any point in continuing in light of Dr. Taubenberger's successes. At a meeting with officials at the Federal Centers for Disease Control in Atlanta, she was persuaded to press on. The project is supported by a \$150,000 grant from the National Institutes of Health in the United States and £120,000 (\$194,000) from a Hoffmann-La Roche pharmaceutical subsidiary of Roche Holding AG of Switzerland.

Ms. Duncan emphasized the need for still more samples from other parts of the world, especially material that has not been preserved — and therefore possibly altered — in formaldehyde.

So Roger Webber, the head grave-digger, is ready. He has been exhuming bodies in Britain for 33 years but has never worked in permafrost. It cannot be harder than the many times he has dealt with layers of solid chalk or limestone, he said.

Using a technique known as needle biopsy, the pathologist, Dr. Smith, will take bore samples of tissue from the lungs of the six bodies.

Then he will try to probe the hearts, where he may be able to extract frozen blood. This is a long shot, but any blood could yield samples of serum and any antibodies produced in the acute phases of the disease. The infections could hold bacteria, possible clues to other complicating infections. An attempt will also be made to get samples from the livers and spleens.

As Dr. Smith said, the first principle of exhumation is that "you don't know what you are going to find until you look."

Except for the influx of scientists and grave-diggers, a few journalists and television crews, the search for the 1918 influenza virus has created little stir in Spitsbergen. The 1,300 residents of Longyearbyen, the island's principal community, are used to visitors with peculiar goals in mind. Explorers like Richard E. Byrd and Roald Amundsen set out from here in 1929 for the North Pole, about 1,100 kilometers (700 miles) away.

More recently, scientists have been operating bases for studies in geophysics, climatology and polar life in the Svalbard Archipelago, which includes Spitsbergen.

TERROR: U.S. Attacks Several Terror Facilities in Afghanistan and Sudan With Cruise Missiles

Continued from Page 1

raid, he added.

Although the operation was described as preventive and not simply retribution, it clearly was triggered by the twin bombings on Aug. 8 of the U.S. embassies and then mounted swiftly and in great secrecy in hopes of catching the terrorists by surprise.

All of the targets were located within range of Tomahawk cruise missiles launched by the U.S. Navy. Warships in the Red Sea would be close enough to the two sites in Sudan, and even the five targets in Afghanistan could be struck by missiles fired from positions in the Indian Ocean.

Overall, 75 to 100 cruise missiles were fired on the targets in Afghan-

istan and Sudan, military sources told CNN.

The cruise missiles, aided by satellite mapping and then locking onto electronic images of terrorist installations, would have used laser beams for guidance onto the targets. U.S. intelligence, Pentagon officials indicated, had extensive information about Mr. bin Laden's terrorist activities in recent years and also about the infrastructure of his organization in both Sudan and Afghanistan.

Both the Sudanese government and the Taliban, which has been harboring Mr. bin Laden, have made it clear that they had no intention of cooperating with any U.S. attempt to bring to justice Islamic terrorists traced to their soil.

That left Washington with no op-

tion but to mount a military attack.

The targets included a set of camps — one for command and control of Mr. bin Laden's organization, one for guerrilla training and one for logistics and other operational support for terrorism — in Afghanistan. In Sudan, U.S. forces hit an industrial facility near the capital, Khartoum.

Mr. Cohen said the Afghan camps had trained "hundreds if not thousands" of terrorists and he implied that Mr. bin Laden's operational infrastructure had been badly hit at its heart.

Press reports have cited attempts by Mr. bin Laden to purchase nuclear warheads from black market suppliers in the former Soviet Union.

Prior to the recent embassy bombings, Mr. bin Laden had or-

ganized attacks on U.S. forces in Somalia and assassination attempts against the Pope and President Hosni Mubarak of Egypt, U.S. officials said.

No other government, apparently, was informed in advance of the U.S. operation. Pakistan, a Muslim neighbor of Afghanistan, announced that it had not been involved in the air strikes.

But there were bound to be questions about whether Egypt, openly hostile to Sudan, and perhaps even Pakistan, allowed some U.S. warplanes covertly to operate from airbases on their territory for reconnaissance.

Mr. Cohen took pains to say that U.S. officials had no idea of the exact whereabouts of Mr. bin Laden at the time of the attacks, thus suggesting

that the raids were not deliberately designed as an assassination.

The U.S. raids were synchronized to hit their targets simultaneously in both Middle Eastern countries, apparently at a time of day when the risk of killing local people was as low as practicable, officials said.

The U.S. raids, Mr. Cohen said, showed that terrorists will have no sanctuary, "no refuge from the long arm of justice."

Explaining his decision to order the air strikes, Mr. Clinton said that the risks of inaction had outweighed any considerations of waiting, explaining that failure to move "would have emboldened our enemies."

The president indicated that fresh terrorist strikes against U.S. targets were being readied by the terrorists led by Mr. bin Laden.

ALBANIA: 5 Egyptian Terror Suspects Arrested, and Bomb Plans Seized

Continued from Page 1

"We were told there is a high threat out there," said Major Frank Carroll, the commander of the Marines from the 22d Marine Expeditionary Unit, who were diverted from a planned NATO training exercise last Friday night to protect the embassy.

The alleged Egyptian terrorists operated under the cloak of a wave of Islamic proselytizers from Egypt, Saudi Arabia and other Arab countries, many of them fundamentalists, who have flocked here in recent years, establishing charitable organizations that built hospitals, schools and orphanages under the condition that they also build mosques.

But while this is a country that is nominally two-thirds Muslim as a heritage of the Ottoman Empire — there are also substantial Roman Catholic and Greek Orthodox populations — it is also one that has historically not taken religion terribly seriously.

A local proverb translates roughly "Religion follows the sword," meaning political power.

Under the Turks, affiliations sometimes shifted to gain exemption from taxes or military conscription.

Far more important, in many areas, was the Kanun of Lek, the centuries-old folkloric rules regulating the conduct of blood feuds.

So, rather than building a new base of Islamic fundamentalist recruits, officials here say, Islamic Jihad and other groups used the cover of the widespread Islamic activity and the prevailing breakdown of law and order — the country virtually fell apart in March 1997 when the collapse of a pyramid scheme bankrupted much of the population and led to rioting, the dissolution of the army, looting of weapons and the collapse of the government — to set up operations in a place with porous borders and few, if any, internal controls.

The story of the raids and their American direction was broken by the scuffling police reporters of the country's two biggest newspapers, and the young journalists are still giddy over their unaccustomed scoop.

The Albanian authorities, for their part, embarrassed that the story got out and worried about possible retaliation, have clammed up.

"My instinct told me the story was really a big story," said Alfred Peza, editor of Gazeta Shqiptare, savoring the moment over thick black coffee at the crowded cafe known as Fideli's, where the local journalists hang out.

"The police regretted it the next day," he said. "Maybe in the excitement of telling the story of the good work they had done they went too far."

"The next day, the police bosses cracked down."

But Thursday, neighbors at one of the sites of the raids, a back alley off Myslym Shyri Street, only about a block from central police headquarters, where an Islamic foundation occupies an unmarked third floor apartment, confirmed the details of American supervision revealed in Mr. Peza's newspaper under the headline "The Operation Which Speaks English."

Several English-speaking foreigners carrying walkie-talkies stood in the alley directing the operation while the Albanian secret police searched the upstairs apartment, said the neighbors, none of whom, after decades of the harshest Communist rule, would give their name.

The director of the Albanian secret police, known as Shik, politely declined a request for an interview Thursday, indicating that the Americans, with whom he was still working closely, had forcefully expressed the position that too much had been said already.

REACTION: Clinton Wins Support

Continued from Page 1

East peace process and Serbian attacks on ethnic Albanians in Kosovo — that he said had been seriously neglected by the Clinton administration in the months since the Lewinsky matter began.

"I can't say they've been neglected because of Monica Lewinsky," he said, "but I can say unequivocally that they have been neglected, and to the detriment of our interests."

Without specifically mentioning the Lewinsky matter, Senator Dan Coats, Republican of Indiana, questioned whether Mr. Clinton "was in a position to make a sound judgment call and whether he should have considered the speculation that would arise worldwide."

"The timing here is so extraordinary," he said, "the reaction of the president so uncharacteristic of anything he's done in six years of the presidency that it raises legitimate questions."

"I think we fear what might come next," he added his voice to the handful of Republicans who have called on Mr. Clinton to resign.

UN Keeps Sanctions on Iraq

UNITED NATIONS, New York — The Security Council decided on Thursday that Iraq has not met the conditions for sanctions to be lifted and said it was extremely concerned that Baghdad has refused to cooperate with arms inspectors.

The council, after holding its regular 60-day review of sanctions, repeated its statement that Iraq's decision on Aug. 5 to freeze cooperation was "totally unacceptable."

The United States had sought to make the Security Council statement tougher, but that effort failed, council sources said on condition of anonymity. (AP)

Bomb in Algeria Kills 13

ALGIERS — A bomb exploded in a town in western Algeria on Thursday, killing at least 13 people, and newspapers reported that soldiers killed 33 Muslim rebels this week in a new wave of violence.

The home-made bomb wounded 39 when it exploded in the town of El Khemis in Ain Defla Province, 130 kilometers (80 miles) southwest of Algiers.

Algerian newspapers reported on Thursday that at least 33 Muslim rebels were killed when soldiers attacked their hideouts in various parts of the country. (Reuters)

Jordan Gets New Premier

AMMAN, Jordan — Faysal Tarawneh was sworn in as prime minister on Thursday.

Crown Prince Hassan bin Talal officiated at the new cabinet's swearing-in, deputizing for King Hussein, who is undergoing cancer treatment in the United States.

Prime Minister Abdul-Salam Majali resigned on Wednesday after a public outcry over polluted drinking water in the capital and parliamentary accusations that it had misled the country about economic growth. (AP)

Paraguay President is Censured

ASUNCION, Paraguay — Congress has voted to censure President Raul Cubas less than a week after he took office. The censure came because one of Mr. Cubas's first acts after being sworn in on Saturday was to free a former army chief convicted of leading a 1996 coup attempt.

During his campaign, Mr. Cubas had promised to free the general. (Reuters)



By Sandra Sugawara
Washington Post Service

As debate drags on Parliament about the best way to pull Japan out of its recession, the evidence of a dramatic decline appears daily. Struggles like Mr.

In 1997, about 3,600 Japanese killed themselves over economic problems.

pan's economic condition might worsen after the release of July economic data.

nel 20 percent of its strike fund to guarantee loans taken out by companies that

David Hoffman
Washington Post Service

See RUSSIA, Page 15

Compiled by Our Staff From Dispatches

Ira Zuckerman, an analyst at Nutmeg Securities Ltd, in Westport, Connecticut,

have agreed to the deal, which is subject to approval by the shareholders of both

By Louis Uchitelle
New York Times Service

among white-collar workers and women, job losers found themselves re-employed more quickly.

Seventy-six percent of the 2.4 million full-time workers laid off in the latest

Still, blue-collar workers are more likely to be laid off, with 1 of 20 blue-collar workers losing jobs in the latest three-year period, compared with 1 in 22 white-collar workers.

Lately, however, REITs themselves have been tossed by storms. The Bloomberg REIT index peaked back on Oct. 6, 1997, at 142.8, fell to 120.2

K. GLASSMAN ON INVESTING

STING are out of whack with the market as a whole, and even the large firms they

JAMES K. GLASSMAN ON INVESTING

reports, as it upgrades its portfolio of apartments. Still, he writes, it is "an appealing choice for long-term investors."

fund is so large that its REIT choices tend to be conventional and large-cap.

Cross Rates										Aug 20									
	\$	£	DM	FF.	Lira	R.R.	B.F.	S.S.	Yen	CS	Pound								
American	2.10	1.49	1.93	63.04	0.15*	—	54.07	1.045	1.497	1.28	139*								
Belgium	27.15	43.25	28.21	6152	268.22	12.35	—	3.675	12.98	32.55	12.10*								
Canada	1.36	—	—	—	—	—	—	—	—	—	—								
France	1.794	29.11	—	—	—	—	—	—	—	—	—								
Germany (M)	1.25	—	—	—	—	—	—	—	—	—	—								
Italy	2.00	28.79	—	—	—	—	—	—	—	—	—								
Japan	366.04	64.57	32.32	3.28*	—	25.34	—	17.5	19.14	32.07	19.72	—							
Netherlands	1.66	—	—	—	—	—	—	—	—	—	—								
Spain	1.7615	1.2081	1.60	13.73	—	—	—	—	—	—	—								
Switzerland	1.48	1.61	—	—	—	—	—	—	—	—	—								
Turkey	4.89	—	—	—	—	—	—	—	—	—	—								
U.S.	1.00	—	—	—	—	—	—	—	—	—	—								
Yen	143.20	23.20	23.20	0.83	71.2	33.89	—	16.9	—	—	—								
Toronto	1.517	2.49	6.852	63.55	—	—	—	—	—	—	—								
W. Germany	1.48	—	—	—	—	—	—	—	—	—	—								
Yen	1.877	6.97	1.890	4.460	1.845.5	22.29	6.534	1.628	15.85	1.578	10.30								
Yen	1.325	0.894	2.39	7.982	3.243	1.233	4.118	1.289	4.035	1.503	1.017								
1 SDR	—	—	—	—	—	—	—	—	—	—	—								

Changes in Amsterdam, London, Milan, Paris and Zurich figures in their currencies: New York only.

P.M. and Toronto rates 2 P.M.

** To be one point; to be one dollar; *Units of 100; N.G. not quoted; N.A. not available.*

Other Dollar Values										Aug 20									
	Commodity	Per \$	Currency	Per \$	Commodity	Per \$	Currency	Per \$											
Agricul. prod.	1.4915	—	—	—	—	—	—	—											
Barrel oil	1.4915	—	—	—	—	—	—	—											
British steel	1.273	—	—	—	—	—	—	—											
Canada	1.4915	—	—	—	—	—	—	—											
China	1.4915	—	—	—	—	—	—	—											
France	1.4915	—	—	—	—	—	—	—											
Germany	1.4915	—	—	—	—	—	—	—											
Italy	1.4915	—	—	—	—	—	—	—											
Japan	1.4915	—	—	—	—	—	—	—											
Netherlands	1.4915	—	—	—	—	—	—	—											

[illegible]

EUROPE

Bayer's Net Falls 14%
As Sales in Asia Drop

Bloomberg News
LEVERKUSEN, Germany — Bayer AG posted an unexpected 14 percent drop in second-quarter net income on Thursday as restructuring charges and lower sales in Asia depressed profit.

The German chemical and drug maker said second-quarter profit fell to 870 million Deutsche marks (\$482.7 million) from 1.01 billion DM a year ago. Second-quarter sales fell to 14.05 billion DM from 14.19 billion in the same quarter last year.

Like rival chemicals makers, including BASF AG and Alzko Nobel NV, Bayer suffered from declining revenue in recession-hit Asian countries. Sales in Asia dropped 8 percent because of the falling value of currencies in the region and less demand.

"The second quarter was not great for Bayer, but a lot of it is market problems, not necessarily problems at Bayer," said Christian Faiz, an analyst at HSBC Trinkaus in Düsseldorf, who said he would keep his "buy" rating on the company. "All

in all, it's still on track."

The company said it still expected to achieve its previous forecast of increasing sales and earnings by 4 percent in the whole of 1998, helped by "high demand and lower raw-materials prices."

"We are also assuming that the Asian crisis will have only a limited impact on the world economy," Bayer said. It said the drop in profit was "mainly due to restructuring charges." It said the drop in profit was "mainly due to restructuring charges."

Bayer shares fell 5.15 DM to 74.15 DM.

A large part of the restructuring costs arose in North America, where Bayer closed part of its Baytown, Texas, plant, said a company spokesman, Guenter Forneck. The company also is restructuring its chemicals units and said in June it was combining units making inorganic chemicals, such as pigments for concrete, with fine-chemical products such as those used in photo processing, in a move to cut costs.

Talks Delay
Air France
Stock Sale

Bloomberg News
PARIS — The sale of shares in Air France, originally planned for autumn, will be delayed until early next year as negotiations with the pilots drag on past their scheduled Aug. 31 deadline, the Transport Ministry said Thursday.

The stock market slump, the introduction of Europe's single currency in January and the possibility that Air France could buy France's No. 2 airline, AOM, are all complicating the plan for an initial public offering of 20 percent of the state-owned company's shares, according to news reports.

"This is the second delay for the share sale in as many months. The Transport Ministry said in July that Air France's initial public offering would have to be pushed back until after September to give the carrier sufficient time to work out equity agreements with pilots. The state plans to sell 20 percent of Europe's third-largest airline to investors, and an additional 10 percent to pilots. By next year, up to 49 percent of Air France's capital could be on the market."

"The steps leading to the opening of capital are going ahead normally, but there will likely be a bit of a delay," said Odile Chamussy, a spokeswoman for the Transport Ministry. She predicted that because of the August holidays, talks probably will not conclude until September.

After a nine-day strike in June, pilots and management reached an agreement, effectively to freeze wages for seven years and give pilots the option of taking some pay in stock.

The walkout will slash 1998-99 profit by 1 billion francs (\$166 million), Air France said this week.



Russians lining up Thursday at the general prosecutor's office in Moscow to complain about difficulty receiving cash from banks.

RUSSIA: An Appeal for Calm as Officials Fear Bank Run

Continued from Page 13

"It is necessary to save not only a dozen of the top banks, but hundreds of stable mid-sized and small banks," said Alexander Shokhin, a leader of the centrist Our Home is Russia faction in parliament.

Mr. Dubinin announced that the central bank would insure deposits at private commercial banks, as long as they make special deals with Sberbank, which is already insured. He appealed to Russians to "go through the difficult period of financial crisis, remaining calm."

There have been no outward signs of a bank run, although lines have been forming to get dollars, and demand has picked up for appliances, which are seen as a hedge against the ruble's deterioration. The ruble-dollar exchange rate, which was 6.3 rubles to the dollar last week, appeared to be settling Thursday at about 7 rubles per dollar in Moscow. The government effectively devalued the currency on Monday by allowing it to shrink.

Meanwhile, there were new frictions on Thursday between Western and Russian bankers. The three-month debt moratorium announced along with the ruble devaluation caught Western creditors by surprise, and some have suggested that it will wreck Russia's credit on world markets for years to come.

Mr. Aleksashenko, the central bank official, charged that as soon as the moratorium was in place, Western banks began to cut off routine transactions with their Russian counterparts.

"It seems to us that this is a process of Russian banks being

pushed out of international cooperation," he said.

The lower house of Parliament, the State Duma, controlled by Communists and nationalists, is returning for a special session Friday.

On the eve of the meeting, the government of Prime Minister Sergei Kiriyenko came in for a tongue-lashing from two centrist political figures who head Duma factions.

Viktor Chernomyrdin, head of the Our House is Russia bloc, who was prime minister until President Boris Yeltsin fired him in March, said, "We have no government in Russia today. The government and naturally the central bank are guilty for what happened."

Grigori Yavlinsky, head of the Yabloko centrist bloc, said the government was leading Russia into a dead end. Mr. Chernomyrdin, he said, "dug this pit, and now the Kiriyenko government is descending into it. And it will probably never realize what happened to the Russian economy until it has reached the rock bottom."

Germany and France
Leave Rates Flat

Bloomberg News
FRANKFURT — The Bundesbank and the Bank of France left interest rates unchanged Thursday.

Reopening after a four-week vacation, the German central bank set its benchmark securities repurchase rate at 3.30 percent until the council meets on Sept. 3.

France, which usually moves in tandem with Germany, also left its benchmark rate at 3.30 percent.

With annual inflation at a 10-year low in Germany, most analysts are convinced interest rates in Germany and France will not rise until the final quarter of the year.

A Bundesbank council member, Klaus-Dieter Kuehbach, stressed this week that there is "no reason for a rate rise, especially not in Germany."

Strong growth and more inflation in countries like Ireland and stronger money supply growth for the euro area as a whole "argue against letting the peripherals do all the convergence," he added.

Investor's Europe			
Exchange	Index	Thursday	Change
DAX	FTSE 100	FTSE 100	FTSE 100
Amsterdam	1,782.50	1,782.50	-1.08
Brussels	3,466.50	3,466.50	-0.27
Frankfurt	5,488.22	5,488.22	-1.23
Copenhagen	585.87	585.87	-1.17
Helsinki	4,978.72	4,978.72	-1.73
Oslo	573.77	573.77	-2.85
London	5,687.48	5,687.48	-0.47
Madrid	5,775.50	5,775.50	-1.50
Paris	4,087.49	4,087.49	-0.93
Stockholm	4,073.51	4,073.51	-0.92
Vienna	1,257.40	1,257.40	-1.58
Zurich	4,087.57	4,087.57	-1.57

Very briefly:

- Royal Nedlloyd Group NV, a Dutch shipping company, announced a net loss of 34 million guilders (\$16.7 million) for the first half of 1998 as the Asian financial crisis continued to hurt cargo shipping to the region.
- KLM Royal Dutch Airlines NV said it would seek an injunction Monday to stop some of its pilots from striking in support of a planned strike by pilots at Northwest Airlines Corp., its biggest partner.
- Swisscom AG, Switzerland's state-owned telephone company, said first-half earnings rose 13.9 percent to 1.13 billion Swiss francs (\$748.7 million) because of increased mobile-phone use, but it predicted full-year sales and earnings would slow as competition increased.
- SAI Group, the operator of the Swiss national airline, Swissair AG, said its first-half profit rose by 16.5 percent to 127 million Swiss francs, driven by buoyant European and U.S. economies.
- Britain's gross domestic product rose by 0.5 percent in the second quarter of 1998 as economic growth rose by 2.6 percent on a 12-month comparison.
- Independent Television Network of Britain, known as ITV, is being investigated by the Office of Fair Trading, the country's competition regulator, for its refusal to supply its channels to a digital service being launched by the satellite broadcaster British Sky Broadcasting Group PLC.
- Cable & Wireless PLC, Britain's second-largest phone company, said it would sell its 25 percent stake in Mobile Telephone Networks Holdings Pty. of South Africa for about \$257 million (\$416.4 million) in cash.
- The European Commission said Canadian import tariffs favored U.S. automakers and joined Japan in asking the World Trade Organization to settle the dispute.

WORLD STOCK MARKETS

Thursday, Aug. 20
Daily price in local currencies

High Low Close Prev.

Amsterdam

Amst. AEX Index: 1,782.50

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NYSE

The 2,600 most traded stocks of the day.
 Nationwide prices not reflecting late trades elsewhere.
 The Associated Press.

12 Month High Low Stock Div Yld PE Sls 100% High Low Latest Chg

[illegible]

12 Month High Low Stock Div Yld PE ^{Sis} 100s High Low Latest Chrg

[illegible]

12 Month		Stock	Div	Yld	PE	52		Low	Latest	Q
High	Low					High	Low			

[illegible]

12 Month High Low Stock Div Yld PE 100s High Low Latest C

100%	Admiral's	1.50	24.18	110	100%
100%	American	.80	21.18	110	100%
100%	Bell	.80	21.18	110	100%
100%	Coca-Cola	.80	21.18	110	100%
100%	Duke	.80	21.18	110	100%
100%	Ford	.80	21.18	110	100%
100%	General	.80	21.18	110	100%
100%	Hess	.80	21.18	110	100%
100%	Kaiser	.80	21.18	110	100%
100%	Martins	.80	21.18	110	100%
100%	National	.80	21.18	110	100%
100%	Phillips	.80	21.18	110	100%
100%	Ryan	.80	21.18	110	100%
100%	Sears	.80	21.18	110	100%
100%	Tenneco	.80	21.18	110	100%
100%	Union	.80	21.18	110	100%
100%	Wendover	.80	21.18	110	100%
100%	Yates	.80	21.18	110	100%
100%	Zenith	.80	21.18	110	100%
100%	Admiral's	1.50	24.18	110	100%
100%	American	.80	21.18	110	100%
100%	Bell	.80	21.18	110	100%
100%	Coca-Cola	.80	21.18	110	100%
100%	Duke	.80	21.18	110	100%
100%	Ford	.80	21.18	110	100%
100%	General	.80	21.18	110	100%
100%	Hess	.80	21.18	110	100%
100%	Kaiser	.80	21.18	110	100%
100%	Martins	.80	21.18	110	100%
100%	National	.80	21.18	110	100%
100%	Phillips	.80	21.18	110	100%
100%	Ryan	.80	21.18	110	100%
100%	Sears	.80	21.18	110	100%
100%	Tenneco	.80	21.18	110	100%
100%	Union	.80	21.18	110	100%
100%	Wendover	.80	21.18	110	100%
100%	Yates	.80	21.18	110	100%
100%	Zenith	.80	21.18	110	100%
10					

MAMASK COVERLET

MASEK SUITE

...es past. Fifty years it had been
 ...oved wife in this very same suite.
 ...t. How he wished she were there
 ...et it seemed like yesterday. Tears
 ...s of their honeymoon, fresh as the
 ...loomed in his memory. The scent
 ...aptured his reminiscences causing
 ...ock at the door roused him from
 ...and a Bell Boy laden with shiny
 ...all right, sir?' he gently
 ...about my late wife'
 ...somewhat forlornly. 'I'm
 ...in the corridor. And in skipped
 ...as she had some fifty years before.

317 1800. Fax: (619) 319 7650. E-mail: office@pacfic.net

INTERNATIONAL HOTEL

12 Month High Low	Stock	Div Yld %	P/E	100% High	Low/Latest C
100%	Admiral's	1.50	24.18	110	100%
100%	American	.80	21.18	110	100%
100%	Bell	.80	21.18	110	100%
100%	Coca-Cola	.80	21.18	110	100%
100%	Duke	.80	21.18	110	100%
100%	Ford	.80	21.18	110	100%
100%	General	.80	21.18	110	100%
100%	Hess	.80	21.18	110	100%
100%	Kaiser	.80	21.18	110	100%
100%	Martins	.80	21.18	110	100%
100%	National	.80	21.18	110	100%
100%	Phillips	.80	21.18	110	100%
100%	Ryan	.80	21.18	110	100%
100%	Sears	.80	21.18	110	100%
100%	Tenneco	.80	21.18	110	100%
100%	Union	.80	21.18	110	100%
100%	Wendover	.80	21.18	110	100%
100%	Yates	.80	21.18	110	100%
100%	Zenith	.80	21.18	110	100%
100%	Admiral's	1.50	24.18	110	100%
100%	American	.80	21.18	110	100%
100%	Bell	.80	21.18	110	100%
100%	Coca-Cola	.80	21.18	110	100%
100%	Duke	.80	21.18	110	100%
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100%	Hess	.80	21.18	110	100%
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100%	Duke	.80	21.18	110	100%
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100%	Hess	.80	21.18	110	100%
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100%	Martins	.80	21.18	110	100%
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100%	Ryan	.80	21.18	110	100%
100%	Sears	.80	21.18	110	100%
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100%	Ryan	.80	21.18	110	100%
100%	Sears	.80	21.18	110	100%
100%	Tenneco	.80	21.18	110	100%
100%	Union	.80	21.18	110	100%
100%	Wendover	.80	21.18		

Page	12 Month		Stock	Div	Yld	PE	100s	High	Low	Latest
	High	Low								

[illegible]

High	Low	Stk	Ln	Ln	Ln	Ln	Ln	Ln
7044	714	Ln	2.63	28.1	9	293	9%	9%
714	714	Ln	2.63	28.1	9	293	9%	9%

1965-01-15	0800	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-15	1200	10°N 155°E	10	26.0	1	Clouds 100%
1965-01-15	1600	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-15	2000	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-16	0400	10°N 155°E	10	23.0	1	Clouds 100%
1965-01-16	0800	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-16	1200	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-16	1600	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-16	2000	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-17	0400	10°N 155°E	10	23.0	1	Clouds 100%
1965-01-17	0800	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-17	1200	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-17	1600	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-17	2000	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-18	0400	10°N 155°E	10	23.0	1	Clouds 100%
1965-01-18	0800	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-18	1200	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-18	1600	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-18	2000	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-19	0400	10°N 155°E	10	23.0	1	Clouds 100%
1965-01-19	0800	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-19	1200	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-19	1600	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-19	2000	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-20	0400	10°N 155°E	10	23.0	1	Clouds 100%
1965-01-20	0800	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-20	1200	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-20	1600	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-20	2000	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-21	0400	10°N 155°E	10	23.0	1	Clouds 100%
1965-01-21	0800	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-21	1200	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-21	1600	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-21	2000	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-22	0400	10°N 155°E	10	23.0	1	Clouds 100%
1965-01-22	0800	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-22	1200	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-22	1600	10°N 155°E	10	25.0	1	Clouds 100%
1965-01-22	2000	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-23	0400	10°N 155°E	10	23.0	1	Clouds 100%
1965-01-23	0800	10°N 155°E	10	24.0	1	Clouds 100%
1965-01-23	1200	10°N 155°E	10	25.0		

he reflected misty-eyed on times past. Fifty years it had been since he had slept with his beloved wife in this very same suite. It had been their wedding night. How he wished she were there now. Half a century ago, and yet it seemed like yesterday. Tears sprang unbidden as recollections of their honeymoon, fresh as the Orchids on the bedside table, bloomed in his memory. The scent and soft colours of the room captured his reminiscences causing time to stand still. A gentle knock at the door roused him from his reverie. Opening it, he found a Bell Boy laden with shiny packages. 'Is everything all right, sir?' he gently enquired. 'Just thinking about my late wife', responded the gentleman, somewhat forlornly. 'I'm not that late!' chirruped a voice in the corridor. And in skipped the lady in question, as girlishly as she had some fifty years before.

Raffles Hotel, 1 Beach Road, Singapore 189673. Tel: (65) 337 1886. Fax: (65) 339 7650. E-mail: raffles@pacific.net.sg
A RAFFLES INTERNATIONAL HOTEL

12 Month		Stock	Div	Yld	PE	100s		Low	Latest	Chg
High	Low					High	Low			

[illegible]

12 Month		Stock	Div Yld	PE	Stk		Lowest P/E	Lowest Div
High	Low				100% High	Lowest P/E		

[illegible]

161a	161b	IQMinv	96a	6.1	q	98	154a	154b	154c
134a	134b	IQSec	75a	5.7	q	500	134a	134b	134c
341a	341b	inferito 5	-	-	21	200a	200b	200c	200d

11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

39%	22 1/2%	Non Pw	1.60	4.1	17	2663	39%	38%	38%
	22 1/2%	9% Noom	.20	2.0	dd	426	10	9%	9%
14%	9%	McargGr	2.45	25.0	q	541	9%	9%	9%

姓名	性别	年龄	籍贯	职业	住址	备注
王德胜	男	45	山东	工人	济南市	
李秀英	女	38	河北	教师	石家庄市	
张国强	男	52	河南	农民	郑州市	
刘小华	女	28	江苏	医生	南京市	
陈为民	男	60	浙江	退休	杭州市	
赵子龙	男	35	四川	学生	成都市	
周大伟	男	42	湖北	工程师	武汉市	
吴晓芳	女	30	广东	护士	广州市	
孙建刚	男	55	安徽	干部	合肥市	
郑金梅	女	40	江西	会计	南昌市	
冯志强	男	33	湖南	记者	长沙市	
马丽娟	女	25	福建	歌手	福州市	
徐长泰	男	65	山西	退休	太原市	
郭小红	女	36	陕西	作家	西安市	
黄永明	男	48	广西	商人	南宁市	
梁小波	男	22	云南	学生	昆明市	
宋国强	男	58	贵州	干部	贵阳市	
林秀珍	女	39	海南	教师	海口市	
周为民	男	44	重庆	工人	重庆市	
吴小华	女	29	四川	医生	成都市	
陈国强	男	53	湖北	农民	武汉市	
赵子龙	男	34	湖南	学生	长沙市	
周大伟	男	41	广东	工程师	广州市	
吴晓芳	女	31	广西	护士	南宁市	
孙建刚	男	56	江西	干部	南昌市	
郑金梅	女	43	安徽	会计	合肥市	
冯志强	男	37	浙江	记者	杭州市	
马丽娟	女	26	江苏	歌手	南京市	
徐长泰	男	66	山东	退休	济南市	
郭小红	女	45	河北	作家	石家庄市	
黄永明	男	49	河南	商人	郑州市	
梁小波	男	23	四川	学生	成都市	
宋国强	男	59	湖北	干部	武汉市	
林秀珍	女	40	湖南	教师	长沙市	
周为民	男	45	广东	工人	广州市	
吴小华	女	30	广西	医生	南宁市	
陈国强	男	54	江西	农民	南昌市	
赵子龙	男	35	安徽	学生	合肥市	
周大伟	男	42	浙江	工程师	杭州市	
吴晓芳	女	32	江苏	护士	南京市	
孙建刚	男	57	山东	干部	济南市	
郑金梅	女	44	河北	会计	石家庄市	
冯志强	男	38	河南	记者	郑州市	
马丽娟	女	27	四川	歌手	成都市	
徐长泰	男	67	湖北	退休	武汉市	
郭小红	女	46	湖南	作家	长沙市	
黄永明	男	50	广东	商人	广州市	
梁小波	男	24	广西	学生	南宁市	
宋国强	男	60	江西	干部	南昌市	
林秀珍	女	41	安徽	教师	合肥市	
周为民	男	46	浙江	工人	杭州市	
吴小华	女	31	江苏	医生	南京市	
陈国强	男	55	山东	农民	济南市	
赵子龙	男	36	河北	学生	石家庄市	
周大伟	男	43	河南	工程师	郑州市	
吴晓芳	女	33	四川	护士	成都市	
孙建刚	男	58	湖北	干部	武汉市	
郑金梅	女	45	湖南	会计	长沙市	
冯志强	男	39	广东	记者	广州市	
马丽娟	女	28	广西	歌手	南宁市	
徐长泰	男	68	江西	退休	南昌市	
郭小红	女	47	安徽	作家	合肥市	
黄永明	男	51	浙江	商人	杭州市	
梁小波	男	25	江苏	学生	南京市	
宋国强	男	61	山东	干部	济南市	
林秀珍	女	42	河北	教师	石家庄市	
周为民	男	47	河南	工人	郑州市	
吴小华	女	32	四川	医生	成都市	
陈国强	男	56	湖北	农民	武汉市	
赵子龙	男	37	湖南	学生	长沙市	
周大伟	男	44	广东	工程师	广州市	

-Continued on Page 10

**San Miguel
May Sell Its
Profitable
Dairy Stake**

ASIA:

REKRUPT. S.

ASIA/PACIFIC

San Miguel May Sell Its Profitable Dairy Stake

MANILA — San Miguel Corp., the Philippines' largest food and beverage company, said Thursday it was in talks to let Nestle SA of Switzerland take full control of a joint dairy venture that provided almost half of San Miguel's 1997 profit.

No agreement has been reached on the possible divestment of San Miguel's 45 percent stake in Nestle Philippines Inc., said a senior vice president, Francis Jardeleza, in a letter to the Philippine Stock Exchange. A board meeting Friday could decide the matter.

If it sells out to the world's largest foodmaker, San Miguel would give up several brands it built into market leaders, including Magnolia ice cream. In exchange, it may receive at least 25 billion Philippine pesos (\$525 million), analysts estimated, adding to a cash pile swelled by the sale last month of holdings in the European bottler Coca-Cola Beverages PLC.

"It's the second jewel that's being sold off by San Miguel," said Dipak Jethwa, an analyst at OCBC Securities Philippines Inc. "How these funds will be used is the next question."

San Miguel's B shares rose 2 pesos, to 49 pesos, in Thursday's trading.

Investors seemed generally pleased that the company was getting out of the food business to concentrate on what made the 108-year-old conglomerate successful: beer.

"This is not part of a cash-raising for debt," said Raoul Perez, an analyst at Sapphire Securities Inc. "This is a general change in strategy."

San Miguel's chairman, Eduardo Cojuangco, who took over from Andres Soriano 3d in July, had said he wanted the company to sell assets so it could pay debts. Most investors had interpreted those remarks to mean that the company would dispose of money-losing beer operations in China and agricultural units in the Philippines.

"It would be another piece of good news from the balance sheet perspective," said Gregg Hollman, an analyst at Abacus Securities Corp. "San Miguel will have a lot more earnings power with the debt gone."

Japan Trade Surplus Rises 56.8%

Agence France-Presse
TOKYO — Japan's trade surplus for July surged 56.8 percent from a year earlier, marking the 16th consecutive monthly rise as the yen depreciates and domestic demand slackens, the Finance Ministry said Thursday.

The trade surplus rose to 1.316 trillion yen (\$9.12 billion), the ministry said. Exports rose 6.6 percent, to 4.56 trillion yen, while imports tumbled 5.7 percent, to 3.25 trillion yen.

The Japanese trade surplus with the United States jumped 59.7 percent, to 669.7 billion yen, rising for the 22d consecutive month.

"Although the overall value of the surplus gained thanks to the weak yen against the dollar, the

volume of both Japan's exports and imports was down," said Michio Ichinohe, a senior economist at the Japan Research Institute. "That is a clear sign Japan's economic strength has begun to wane."

The Japanese trade surplus with the rest of Asia dropped 36.2 percent from a year earlier to 358.6 billion yen, falling for the fifth consecutive month. Exports to Asian countries dropped 16.0 percent, to 1.536 trillion yen, while imports fell 7.0 percent, to 1.178 trillion yen.

In trade with the European Union, Japan's surplus rocketed 174.5 percent to 377.1 billion yen.

"A decline in exports to Asia was offset by expanding sales to Europe and North America,"

Barclay's Onuki said, adding automobile exports bolstered the overall exports in the month by 1.6 percentage points.

Report Lifts LTCB Shares

Shares in Long-Term Credit Bank of Japan Ltd. rose 9 yen, or 19 percent, to 56 yen Thursday after a newspaper reported the government may spend public money to bail it out. Bloomberg News reported.

But Prime Minister Keizo Obuchi denied the report in the Nihon Keizai Shimbun in testimony to Parliament on Thursday.

The report said the government may use up to 1 trillion yen to bolster LTCB's capital before its proposed merger with Sumitomo Trust & Banking Co.

Sales in West Boost Honda Profit

Compiled by Our Staff From Dispatches

TOKYO — Honda Motor Co. said Thursday its first-quarter net profit rose 25 percent as healthy sales in the United States and Europe offset slumping sales in Japan and the rest of Asia.

Honda said group net income for the three months through June rose to a record 78.22 billion yen (\$542.3 million) from 62.2 billion yen a year earlier. Sales increased 12 percent, to 1.595 trillion yen.

Sales increased 12 percent in the United States and 17 percent in Europe in the quarter, more than offsetting an 8.3 percent drop in Japan, the company said.

The effects of the buoyant overseas sales were magnified by the dollar's strength against the yen, Honda said. The dollar was worth

about 13 percent more against the yen in the first quarter than a year ago, which bolstered profit in yen terms.

Although car sales were higher by value they fell in number, slipping 0.3 percent, to 571,000 units, mainly because of the poor market in Japan and Southeast Asia.

But sales by unit rose 11.5 percent in Europe and 8.3 percent in North America.

"Increased sales of the Civic sedan and the CR-V in the United States as well as the CR-V and a new model Civic Aero deck in Europe were major contributors to this increase," the company said.

Honda's motorcycle business did not perform so well, with sales down 3.2 percent, to 194.3 billion yen. Sales declined across Asia but rose in Europe and Brazil, the

company said.

Honda shares rose 60 yen on Thursday, or 1.2 percent, to close at 5,040 yen.

(Bridge News, AFP)

Toyota's Rating Is Cut

The biggest Japanese automaker, Toyota Motor Corp., had its long-term debt rating cut Thursday by Moody's Investors Service Inc. on concern falling sales in Asia would eat into profit.

The downgrade, one day after Moody's lowered ratings on the debt of No. 2 Nissan Motor Co. and No. 4 Mitsubishi Motors Corp., affects about \$11.8 billion in long-term debt, Moody's said.

Toyota's rating was downgraded to "Aa1" from "Aaa," the U.S. rating agency's highest.

BOJ Leads in List of Japan's Top Earners

Agence France-Presse

TOKYO — The Bank of Japan earned more taxable income than any of the nation's companies in the year ended March 31, outstripping last year's top earner, Toyota Motor Corp., a survey showed Thursday.

The Bank of Japan, which is 45 percent owned by private shareholders, declared 931.1 billion yen (\$6.45 billion) in taxable income, up 59 percent from the previous year, according to the private research firm Teikoku Data Bank.

Toyota's income was 583.8 billion yen, followed by the telecommunications giant Nippon Telegraph & Telephone Corp. with 255.3 billion yen, the research agency said.

Teikoku's rankings were based on public data released by Japanese tax authorities regarding domestic companies that earned 40 million yen or more in the last financial year.

The research agency said the Bank of Japan reaped a large profit

because of foreign-exchange gains and the sale of some government-bond holdings. It added that just two manufacturers made the top-10 list, as corporate earnings have declined amid Japan's economic slump. There were 80,874 companies with 40 million yen or more in taxable income, the lowest number in 10 years, Teikoku said.

The Finance Ministry holds 55 percent of the central bank's shares and the rest is traded on the over-the-counter market.

Qantas Posts Record Profit In Bad Times

Compiled by Our Staff From Dispatches

SYDNEY — Qantas Airways Ltd. posted a record profit for its latest financial year on Thursday, but the Australian airline warned that the economic situation in Asia would hurt profit in the current year.

Qantas profit rose 21 percent, to 304.8 million Australian dollars (\$182.3 million).

The result was achieved despite the regional economic downturn that forced the airline to trim services to Asian centers in the second half, reducing sales for the year by almost 8 percent, to 8.1 billion dollars.

The results stunned an industry where many of Qantas's regional competitors are in trouble or verging on bankruptcy and sent the airline's share price up 11.9 cents, nearly 5 percent, to 2,509 dollars.

"It was an excellent result, and reflects their cost control measures and a focus on profitable routes," said Eric Betts, a Nomura Australia strategist, who said Qantas had a history of pleasantly surprising the market.

"They've deployed their assets in a very efficient way, and it's a very commendable result."

The chairman of the airline, Gary Pemberton, said the record profit had been achieved in difficult conditions through careful management and stringent cost-cutting.

"The timely rationalization of our Asian services together with the reallocation of capacity to stronger routes has reduced the adverse impact during the year," he said.

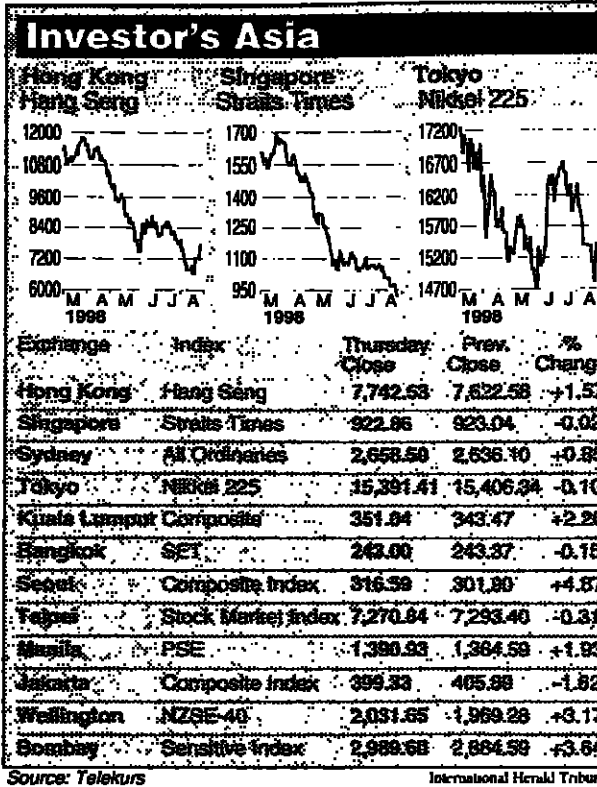
But he warned that the region's woes would have an impact on future profitability.

"Because of the uncertain market conditions, we are not making specific profit predictions," he said. "However, all indications are that it will be difficult to match this year's record profit in 1998-99."

The managing director, James Strong, said that Qantas's secret was to carefully monitor and tweak operations according to the prevailing conditions.

"Yes, there is a downward force in the market, there's no doubt about that," he said, "but it comes down to how well we run the whole business and how well we handle those conditions."

Mr. Pemberton said that massive seat-dumping from ailing Asian airlines would lead to more volatility and uncertainty in the market in the year ahead. (AP, AFP)



Very briefly:

• Indonesia opened a commercial court to administer a new bankruptcy law in an effort, prompted by the International Monetary Fund, to jump-start the private sector and get the economy moving. The law requires bankruptcy cases to be settled within 30 days, allowing 30 days for appeal.

• PT Telkom, the Indonesian domestic telephone monopoly, swung to a loss of 1.18 trillion rupiah (\$97.2 million) in the first half of 1998 as foreign-exchange costs surged after the collapse of the rupiah. The loss matched expectations but compared with a profit of 820 billion rupiah a year earlier.

• Acer Computer International Ltd., a Singapore-based unit of Acer Inc. of Taiwan, said first-half profit fell 98 percent from a year earlier, to 352,000 Singapore dollars (\$200,000), because of a sharp decline in computer sales amid the Asian financial crisis.

• Nan Ya Plastics Corp., the largest plastics maker in Taiwan and a unit of Formosa Plastics Group, said pretax profit fell 28.1 percent in the first half, to 3.1 billion Taiwan dollars (\$89.3 million) as demand from Asia fell and its interest burden increased as the local currency weakened.

• Fuji Photo Film Co. brushed aside a U.S. report that the Japanese market for photographic film still contained barriers to foreign competitors like Eastman Kodak Co., calling on Washington to end its complaints after a World Trade Organization decision in Japan's favor early this year.

• Exports of Singapore-made goods fell in July by 2.3 percent from a year earlier, more than analysts had expected, amid the Asian economic slowdown.

• South Korean regulators backed away from threats to soon close seven major banks — Cho Hung Bank, Commercial Bank of Korea, Hanil Bank, Korea Exchange Bank, Peace Bank Korea, Chungbuk Bank and Kangwon Bank — saying they would instead ask them to redouble rehabilitation efforts by the end of September.

• Stanton Group of the United States has earmarked \$1 billion to expand its joint-venture oil refinery in North Korea, South Korean officials said. (AFP, Bloomberg)

ASIA: Government Buying to Buoy Markets Causes Misgivings

Continued from Page 1

were now "distorted and manipulated." "There's been a major buyer out there who doesn't have an investment objective," he said. "He has an objective of attempting to rig prices."

Government finance officials defended the intervention as needed to fend off manipulators who had "little regard to the economic fundamentals of Hong Kong and the extent of the market adjustments that have already taken place."

"I have considerable sympathy for their intentions — we're really in a situation which is terrible," said Deep Kapur, market strategist at Salomon Smith Barney in Singapore. "Unfortunately I'm very skeptical whether it will be possible to translate these good intentions into anything meaningful, given the way the markets work."

The precedents of market intervention in Asia do not augur well: For a few weeks in May 1997, Thailand managed to muscle out speculators attacking its currency. But the victory was Pyrrhic. Faced with dwindling reserves the country was forced to devalue a few weeks later, the first in a string of Southeast Asian devaluations.

When intense selling pressure hit the Malaysian stock exchange last year, Mr. Mahathir announced the creation of a \$20 billion stock exchange support fund. The plan quickly fizzled, and the

market continued to slide.

In Japan, the term "price-keeping operation" was invented to describe Tokyo's numerous stock market interventions over the past decade — which have done little to shore up the real economy.

Like Hong Kong, the Japanese government had ample funds at its disposal. But in the long run, the Tokyo stock market has been unable to shake off the shadow of its recession-bound economy.

"This is like taking Valium when you've been diagnosed with AIDS," Mr. Kaye said of intervention. "It may make you feel better, but it's not doing anything for the underlying problem."

"And it could potentially make things much worse because if there's one thing that Hong Kong does not need now is an abandonment of the international financial community," he said. "And I think that's a very substantial risk."

Not everyone says that the intervention in Hong Kong was a bad thing.

"The market was getting out of balance," Jim Mellon, chairman of Regent Pacific Group Ltd., told CNBC. "You had the growth of new derivatives, you had a very big increase of direct short selling in Hong Kong, and there weren't offsetting buyers for the Hong Kong market."

"The Hong Kong government was the only large pool of funds available to come in and stabilize," he said.

The question now for Hong Kong is what it plans to do with its significant share holdings. Selling them in the near-term would put more downward pressure on the stock market.

And if the government buys more stocks, Mr. Mellon said, "they will be digging themselves into a rather entrenched position that will become rather awkward and difficult to unwind, with all the conflicts of interests that go along with having a big position in your own stock market."

Hong Kong Recession

The Hong Kong chief executive, Tung Chee-hwa, confirmed Thursday that the economy was in recession, saying official data due out next week would show a contraction in economic growth in the second quarter, Agence France-Presse reported.

Speaking to the Australian Chamber of Commerce, Mr. Tung also said that the third- and fourth-quarter growth figures would be poor and that the problem would continue into 1999.

"Our second-quarter GDP growth figure will come out next week and it will be negative," Mr. Tung said. "The third quarter and the fourth quarter will be very, very difficult and the difficulties will go well into next year."

The Hong Kong economy shrank 2.8 percent in the first quarter of 1998, and two successive declines in quarterly GDP constitute a recession.

BANKRUPT: Suicide and Hiding Are on the Rise in Japan

Continued from Page 13

ing that you must return."

Companies often try to get rid of employees who have declared personal bankruptcy, said another bankruptcy attorney, Hideo Yamada. The companies fear such a person will sully their reputation, he said.

"Legally they can't fire a person because of bankruptcy. But if he gets calls from credit companies at work, then they can use that as an excuse to get rid of him," arguing that it is disrupting work, Mr. Yamada said.

So instead of filing for bankruptcy, many people pack up their belongings in the middle of the night and move to another part of Japan. People from cities move to the countryside, where they try to get work as day laborers, while people in the rural areas try to disappear in the cities, as waiters or janitors, according to attorneys.

Some eventually get caught, particularly if they get sick and must apply for national health insurance, or if they need to enroll their children in school. Others become weary of being away from their family and friends and return to file for bankruptcy and face their creditors.

"I hear that those small construction company owners, some of them have run away, because they have so little work but they still must pay their employees," said Kazuharu Ezawa, an ex-

ecutive with the Construction and General Workers Union.

One former owner of a sporting goods store in Shikoku, a small island south of Tokyo, ran away when he realized his store was insolvent. In a recent interview, he explained that he was afraid of loan sharks and also, "I was scared of being labeled a bankrupt person."

He changed his mind after his daughter, whom he had contacted, persuaded

him to go to a lawyer. He has since successfully discharged his debts through the courts and is now a taxi driver. He wrote a book on the ordeal, because, he said, he wanted to persuade others that it was far better to use the bankruptcy courts than to disappear.

But he used a pseudonym on the book and refused to allow his real name to be used in this story.

"I don't want my neighbors to know I was once bankrupt," he said.

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The enclosed

Thursday's 4 P.M.
The 1,000 most traded National Market securities
In terms of dollar value, updated twice a day
The Associated Press

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Thursday's 4 P.M. Close
(Continued)

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SPORTS

McDowell Back in Form As Angels Defeat Tigers

The Associated Press
Jack McDowell, returning from a 2½-month absence caused by a sore elbow, pitched seven strong innings as the Angels beat the Detroit Tigers in Anaheim, 5-0.

McDowell, one of the American League's top pitchers in the early 1990s

AL Roundup

and the winner of the Cy Young award in 1993, flashed some of his old form in gaining only his second victory since May 7, 1997. He left the game Wednesday night after throwing several warm-up pitches in the eighth inning.

"He hadn't pitched in almost three months, but he pitched on guts and savvy," said Terry Collins, the Angels' manager.

McDowell threw 80 pitches, 59 for strikes, to help the Angels maintain their 1½-game lead over Texas in the American League West.

McDowell, on the disabled list twice this year because of his ailing elbow, rejoined the active roster Saturday, but had to serve a four-day suspension for participating in a June 2 Angels-Royals brawl in Missouri.

Darin Erstad, also just off the disabled list, put Anaheim ahead with a run-scoring single in the third. Reggie Williams singled in the second run in the fifth.

Twins 5, Yankees 3 In Minneapolis, Minnesota made it 3-for-3 against Andy Pettitte this season, getting outstanding relief performances from Dan Serafini and Mike Trombley.

The Twins, who won for just the third time in August, handed the Yankees their second loss in 14 games.

Pettitte (14-7) gave up all five runs on nine hits in eight innings. His earned-run average against Minnesota this season is 8.27.

Athletics 6, White Sox 0 In Oakland, Blake Stein threw a two-hitter for his first major league shutout. Stein allowed only a bunt single by Mike Caruso in the first and a bloop triple by Magglio Ordonez in the second. He struck out three and walked four.

Orioles 6, Devil Rays 4 In Baltimore, Mike Bordick hit a three-run homer and Mike Mussina struck out 10 in seven gritty innings.

Mussina (12-6) threw 120 pitches, allowing two runs on nine hits and a walk. Cal Ripken went 3-for-4 to move within one hit of tying Brooks Robinson's franchise record of 2,848 career hits.

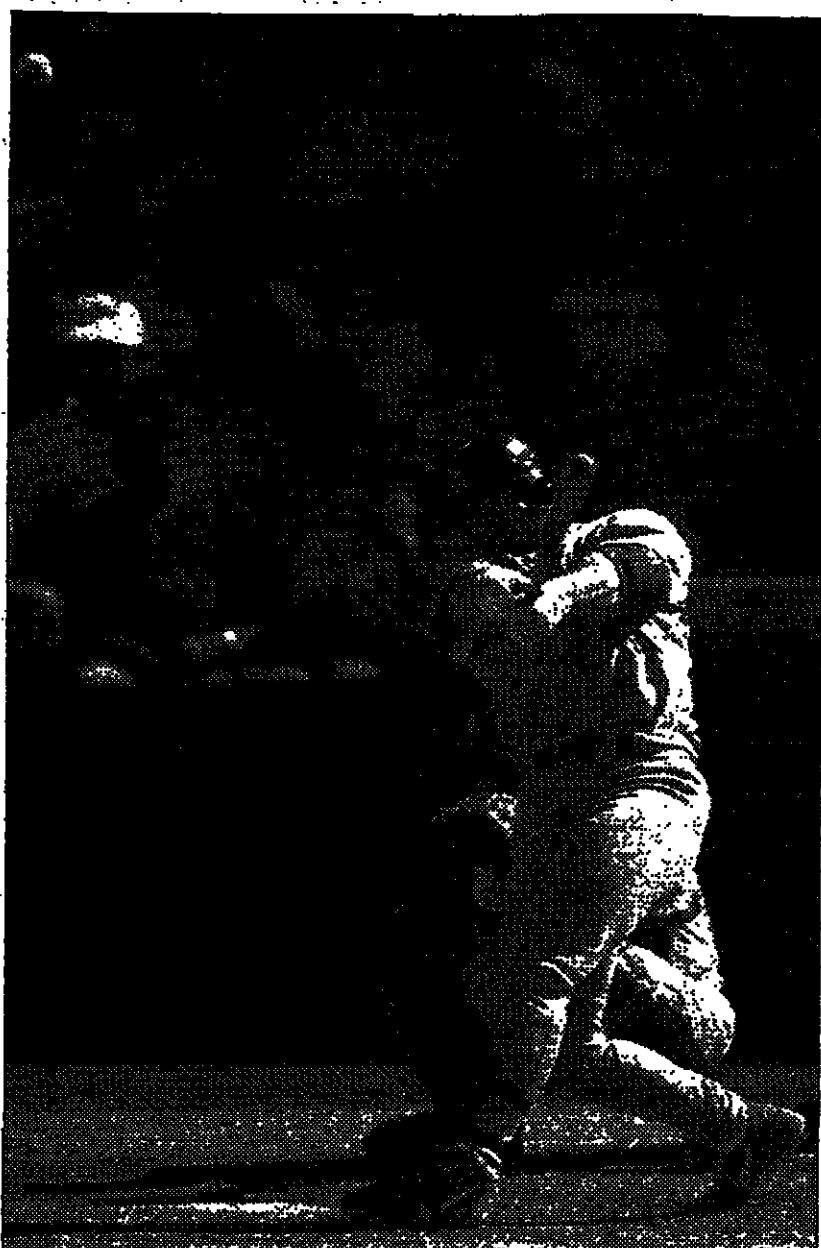
Red Sox 11, Royals 1 Mike Stanley homered twice and drove in six runs as Boston won in Kansas City.

Stanley hit a two-run homer in Boston's four-run first inning and added a two-run single in his four-run second.

Rangers 3, Indians 1 Charles Nagy gave host Texas the lead with two straight bases-loaded walks during the Rangers' three-run sixth inning.

Nagy (10-9) walked Todd Zeile and Mike Simms for the second and third runs of the inning after Ivan Rodriguez's infield single had tied the game at 1.

Blue Jays 16, Mariners 2 Toronto hit a season-high seven homers, two each by Shawn Green and Carlos Delgado, and Ken Griffey Jr. went homerless for Seattle. Jose Cruz Jr., Darin Fletcher and Felipe Crespo also homered for the visiting Blue Jays.



Mark McGwire belting his 48th homer of the season. He later hit his 49th.

3-Game Sweep Puts Mets One Game Ahead of Cubs

The Associated Press
Mike Piazza drove in a key run as the surging New York Mets beat the Colorado Rockies.

The Mets swept the three-game series in New York and won for the 10th time in 13 games. The 2-1 victory Wednesday

NL Roundup

gave the Mets a one-game lead in the National League wild-card race over the Chicago Cubs.

Masato Yoshii allowed one run in 7½ innings to earn his first victory since May 27. "Of course I'm happy that I did get a win, personally," he said. "But I'm more happy that we swept Colorado."

Yoshii (5-6) was winless in his previous 14 starts, with a record of 0-5 during that period. On Wednesday, he allowed nine hits including a leadoff homer by Darryl Hamilton, and struck out six. The right-hander also drew a walk and scored New York's first run.

In the third, Piazza singled to drive in Yoshii to tie the game at 1.

Pirates 6, Dodgers 5 Los Angeles (62-64) squandered two leads on the way to defeat in Pittsburgh. The Dodgers, who trail the Mets by eight games in the wild-card race, slipped two games under .500 for the first time since June 30.

Rays 4, Brewers 2 Pete Harnisch al-

lowed five hits in 7½ innings, and Sean Casey hit a homer and a run-scoring double as Cincinnati won at Milwaukee.

Expos 6, Diamondbacks 2 Dustin Hermanson gave up three hits in seven innings as Felipe Alou broke the record for most wins by a Montreal manager with 521.

Vladimir Guerrero had three runs batted in, two of them with his 30th home run of the season. Chris Widger drove in three with a bases-loaded double.

Marlins 6, Padres 0 Brian Meadows pitched seven shutout innings as Florida snapped its five-game losing streak.

With Tony Gwynn and Ken Caminiti out with injuries, the visiting Padres managed only nine singles off Meadows (10-9). Meadows, 0-3 with an 11.68 earned run average in his previous three starts, walked none and struck out two.

Astros 4, Phillies 3 Derek Bell's two-run single with two outs in the ninth rallied Houston to a victory in Philadelphia.

Giants 6, Braves 2 Charlie Hayes hit a two-run single and Mark Gardner pitched six solid innings as San Francisco beat Tom Glavine at Atlanta.

Glavine (16-6) failed to become the first National League pitcher with 17 victories, and his streak of 23 scoreless innings was snapped in the first.

Gardner (10-5) allowed seven hits and walked two without recording a strikeout.

McGwire and Sosa Slugging It Out

Power Hitters Trade Leads in Pursuit of Maris's Homer Record

By Ira Berkow
New York Times Service

CHICAGO — The chase for the home-run record in baseball took a dramatic turn on a sun-sweet afternoon in Wrigley Field.

Three dramatic turns, to be precise.

When Sammy Sosa, the Cubs' galvanic outfielder, lined a home run into the left-field bleachers in the fifth inning Wednesday, it was his 48th home run of the season. It put him into the home-run lead of the big leagues, literally, and figuratively passing Mark McGwire, the Cardinals' first baseman, who appeared impassive as Sosa went into his home-run trot.

The pair has been jockeying at the top for the last couple of months, and came into this two-game series which began Tuesday night tied at 47 homers each. It was the first time since mid-April that McGwire wasn't the top man in home runs. And it moved Sosa one step closer to Roger Maris, who is the holder of the record, having belted 61 homers in 1961.

What was McGwire thinking as Sosa cruised by him?

"Nothing much really," he said. "Just that Sammy's an awesome player."

True or not, McGwire did not remain dormant.

Sosa's home-run lead was short-lived. McGwire gave him and the sell-out crowd of 39,689 a charge when he not only homered in the eighth off Matt Karchner to tie Sosa at 48 homers, but hit it farther, knocking the ball over the bleachers and onto Waveland Avenue. And he tied up the game at 6 to boot.

He wasn't finished. In the 10th inning, he lined a shot off Terry Mulholland that cleared the wall in center field, 400 feet (122 meters) from home plate, and gave him the homer lead at 49. This also gave the Cardinals the lead in the ball game, one they did not re-

linquish. McGwire and Sosa have matched homer for homer for several months now. With 36 games left on the Cubs' regular-season schedule, and 38 left for the Cards, the drama heightens.

In the third inning, Sosa lined a shot to left field that looked like it was a home run to almost everyone in the park, including Sosa, who observed admiringly on his jog to first base. Alas,

Vantage Point

the ball hit about three feet from the top of the wall. John Mabry fielded it, whirled and threw cleanly to second where Sosa, who realized he'd better start running, was out by so large a margin he didn't even commit a slide.

When Sosa did hit it out of the park, off Kent Bottenfield, he made his second home-run trot of the game.

When Sosa returned to the dugout he was cheered so enthusiastically that he emerged out of the dugout for a curtain call. He waved his cap, then retreated onto the bench where he celebrated by pouring a cup of water over his sweaty head.

McGwire came to bat in the next inning, exciting the multitude ever more. Could McGwire answer blow for blow? The crowd treated McGwire to a loud but mixed bag of cheers, boos and whistles.

The Cardinals had loaded the bases with two outs, and were behind 6-2. Riggelman replaced his starter, Clark, with the right-handed reliever Terry Adams. When Adams got a called strike on McGwire, the fans cheered. But a passed ball allowed in a run, sent runners to second and third and left first base open, with a 2-2 count. Adams walked McGwire, which was sensible under the circumstances. The boos cascaded from the stands.

When McGwire was walked on a 3-2 pitch in the fifth inning, boos rang from some precincts of Wrigley Field. Fans

want to see the march to history, and feel deprived when the slugger is not permitted to swing — sluggers, actually, because when Sosa and Ken Griffey Jr., the other contenders for the record, are walked in enemy ballparks, the home-team pitchers are routinely being booed.

Rich Croushore got the same medicine when he walked Sosa in the seventh inning.

What did McGwire and Sosa talk about on first base? "We talked about building a golf course together," McGwire said with a smile.

Sosa is equally coy about what the homer record means to him.

"Our team is in the middle of a pennant race," said Sosa. "If we won and I didn't hit a home run I would be more satisfied than I am now."

And what was Sosa thinking in right field when McGwire passed him with his 49th home run?

"I'm thinking, 'He's the man,'" said Sosa, who has been saying for months that he is rooting for McGwire to break the record.

The game itself was a thrilling one, with the Cubs loading the bases in the bottom of the 10th, before Manny Alexander popped to second base to end the game and give the Cardinals an 8-6 triumph.

It should be noted that home runs were also hit in the game by four other players, Henry Rodriguez and Jose Hernandez of the Cubs, and Delino DeShields and Ray Lankford of the Cards. But no one's paying much attention to that.

46, 47, 48, 49: Others Join Countdown

New York Times Service
MINNEAPOLIS — The New York Yankees were spread all over their clubhouse here Wednesday night, some playing cards, some chatting. But when Mark McGwire batted in the 10th inning in Chicago, as his St. Louis Cardinals faced the Cubs, many of the Yankees gathered in front of the television mounted high on a wall to watch the slugger bat, as rapt in their attention as any fan at Wrigley Field.

"He's got 48 now," said Darryl Strawberry, straining to see from his seat. "If he gets two more before the end of the month, he'll get it" — Roger Maris's record of 61 home runs in a season.

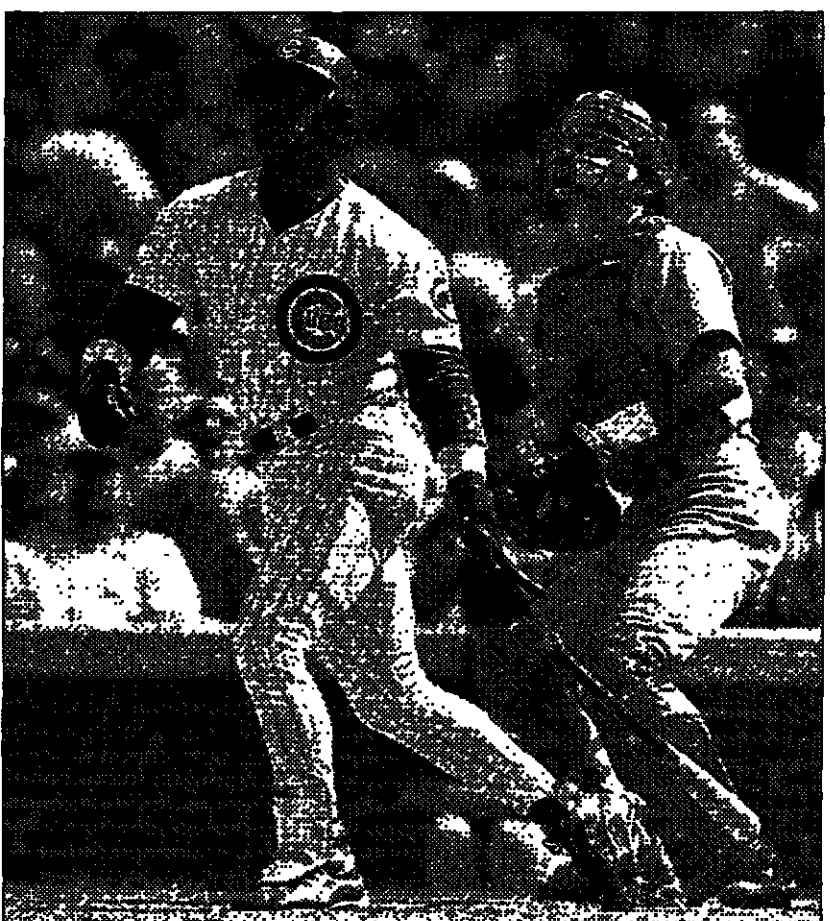
Before Terry Mulholland threw his first pitch to McGwire, Strawberry yelled aloud to his teammates. "Hey, look, he's right on the dish," referring to McGwire's penchant for standing close to the plate.

Someone mentioned that the best way to pitch to McGwire was with fastballs, and Strawberry agreed.

Then Mulholland threw a ball over the middle of the plate, and when McGwire swung his big bat and made contact, some Yankees yelled in unison. "Ooh!"

Strawberry said, "No. 49. Big Mac," laughing, as McGwire circled the bases.

And the Yankees quickly dispersed.



Sammy Sosa after hitting his 48th homer, briefly eclipsing Mark McGwire.

DENNIS THE MENACE

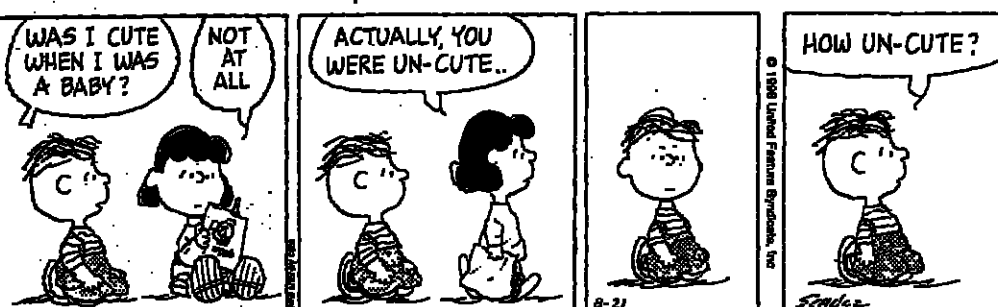


"NOTHIN' LIKE A FRONT ROW SEAT."

JUMBLE
THAT SCRAMBLED WORD GAME
Unscramble these four letters, one letter in each square, to form four common words.
UGED
ROAB
YAGIE
NAUCY
Answer: (From top) GUESS, BOAR, EAGLE, CYCLES
Now arrange the unscrambled letters to form the complete answer, as suggested by the above cartoon.
Answer: GUESS BOAR EAGLE CYCLES
Jumble: ANIMAL, TRUCK, HOPPER, FORCED
Answer: What the cartoon suggests needs to be successful — A CONCRETE PLAN

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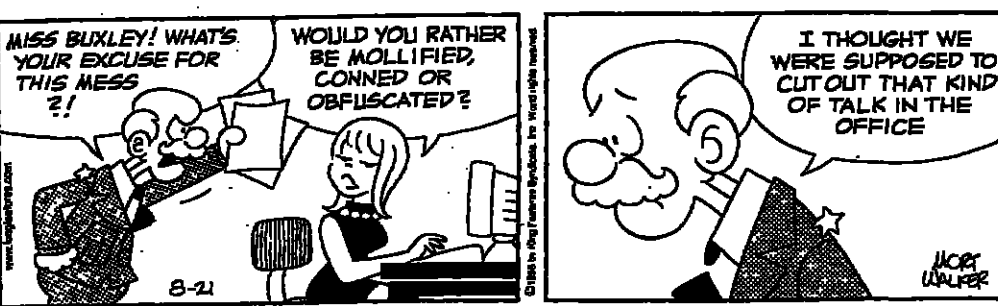
PEANUTS



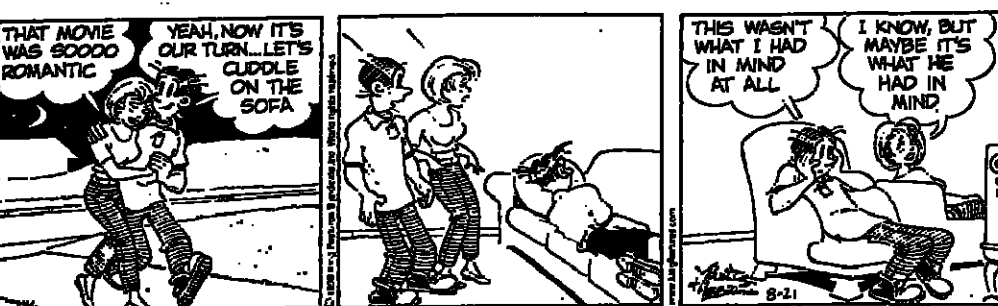
GARFIELD



BEEBLE BAILEY



BLONDIE



CALVIN AND HOBBS



WIZARD of ID



NON SEQUITUR



DOONESBURY



POSTCARD

But Is It Lincoln?

By Judith H. Dobrzynski
New York Times Service

NEW YORK — Ever since the small, leather-encased oval daguerreotype of someone who looks like a young Abraham Lincoln surfaced a few years ago, experts have been arguing about it. If the picture, made around 1843, is of the 16th president, it would be Lincoln's first likeness, predating a daguerreotype in the Library of Congress that was made between 1846 and 1849. It would be a major historical discovery.

The image in question, known as the Hay Wadsworth daguerreotype, has thus faced all kinds of scrutiny: by a forensic anthropologist, a criminal identification specialist, a photographer who "aged" the image by computer and two medical experts who analyzed the vein pattern in the subject's hand. Most of them think it is Lincoln.

But skeptics persist, led by the doubter in chief, Lloyd Ostendorf, 77, of Akron, Ohio, the surviving co-author of "Lincoln in Photographs" (Morningside Press, 1985). "I have no questions about what that is, and it's not Lincoln," he said, reeling off a dozen physical characteristics from the big, sharp nose to the too-small ears, that do not match Lincoln's.

Now the market will decide. The owners, Robert and Joan Hoffman of Pittsford, New York, have consigned the daguerreotype to Christie's, which is to auction it on Oct. 6.

"This is a very daring move," said Harold Holzer, the author of 12 books on Lincoln and the Civil War and also chief spokesman for the Metropolitan Museum of Art.

The stakes are high. If it is the first daguerreotype of Lincoln, it could fetch \$1 million, Lincoln scholars estimate. And if it is not? "It's worth \$5 or \$6 on the antique photograph market, maybe \$30 at tops," Ostendorf said.

Christie's, while bullish, is not pushing too hard. In the catalog, it will describe the work as "Portrait of a Gentleman, Believed to Be Abraham Lincoln, Aged 34." The estimate is \$200,000 to \$300,000. In comparison, the record auction price for a Lincoln memento of any sort is \$1.54 million, set in 1992, for an 1857 draft of his "house divided" speech opposing slavery. The record for a daguerreotype is \$189,000, set in 1995, for "The Capitol Building," by John Plumbe, circa 1846.

"I don't think I can add this to the gallery of Abraham Lincoln images carte blanche," said Rick Wester, director of Christie's photography department. "Christie's needs to be realistic about it and say there is a possibility that it is not Lincoln."

Caveat emptor, in other words. Auctioneers frequently sell items they cannot identify precisely, of course. Christie's and Sotheby's do not guarantee anything made before 1870, and they often label Old Master paintings as "circle of" or "school of" particular artists, for example. Sometimes, buyers do more research and the attribution may change to a more highly valued artist — or to a less respected one.

The Hoffmans — he is an antiques dealer and she an educator at the Strong Museum in Rochester, New York — refuse to disclose what they paid for their treasure, but they knew they had to make a case for it.

If the Hay Wadsworth image is Lincoln, it depicts him as a beardless member of the Illinois State Legislature, 17 years before he was elected president and before his new wife, Mary Todd Lincoln, a socially prominent banker's daughter, spruced him up. But the public knows Lincoln as he is depicted on the \$5 bill, on the penny and in his majestic marble memorial in Washington, always with the beard he grew after he was elected president. Many people would no doubt have a hard time reconciling the difference.

"I'm always surprised that people think people will age the way they do in movies," said Holzer. "But faces really change — noses droop, things sag, a lot can happen." He added that the Library of Congress's daguerreotype was originally doubted, too, requiring Lincoln's son Robert to authenticate it three times. Still, Holzer is not entirely convinced. "I think the possibility exists that it could be Lincoln" is his most forceful verdict after reviewing the supporting evidence and writing two articles about it.

In pursuing the consignment, Christie's relied most heavily on the work of Lewis Sadler, the head of the Biomedical Visualization Laboratory at the University of Illinois at Chicago. Sadler developed an identification process that feeds mathematical "facial maps" into a computer model and sifts the data for matches. To test the daguerreotype, he mapped it and three other Lincoln images and mixed them with 300 other facial maps of white males. He got three matches — with the three other Lincoln portraits.

If it is the first daguerreotype of Lincoln, it could fetch \$1 million.

Skeptics persist, but the market will decide at Christie's sale on Oct. 6.

Great French Illusionist Unveiled in a Magic House

By Barry James
International Herald Tribune

BLOIS, France — As a former minister of culture, the mayor of Blois, Jack Lang, knows a thing or two about conjuring subsidies from the public purse.

But if you are interested in legerdemain, prestidigitation, illusion or the story of a remarkable 19th-century showman and savant called Jean-Eugene Robert-Houdin, you might consider the 67 million francs (\$11 million) of taxpayers' money that was poured into an ambitious house of the magic arts here to have been well spent.

Robert-Houdin, a native of Blois and the museum's muse, was the first of the great illusionist entertainers. Another magician, called Erich Weiss, admired him so much that he borrowed his name with the result that many people confuse Robert-Houdin with the great escaper, Harry Houdini.

Before Robert-Houdin, magic had a dubious reputation. The Inquisition repressed it, and practitioners were rightly considered a dubious bunch of mountebanks, charlatans and quacks, or, as in the case of Nostradamus, sorcerers with supernatural powers.

Robert-Houdin changed all that. In 1845, he created his own theater where for the next 75 years the "Soirees Fantastiques" devised by him and continued by successors delighted and astonished generations of Parisians.

As master of ceremonies, Robert-Houdin, always elegant, witty and charming, received his audience as though they were guests in a refined salon. At his command, showers of coins appeared as if from nowhere, wallets disappeared from one person's pocket to appear in another's, flowers appeared to grow from seed, an ostensibly unlimited quantity of wine flowed from a bottle and an endless stream of objects appeared from a cornucopia that everyone had thought empty.

He convinced audiences that he could make a person — one of his sons — levitate with no means of support. And blindfolded, another son could accurately identify any object produced by a member of the audience, or even objects in another room. "Second sight," as Robert-Houdin called it, was actually the product of prodigious memory and erudition.

Robert-Houdin took his show to England and was equally popular there as "the French conjurer." He never claimed supernatural powers. But in a candlelit age, he had an understanding of electricity, galvanism and magnetism that his audiences lacked; and could perform tricks that at the time seemed literally marvelous.

In fact, the French government sent him as ambassador to Algeria to combat a revolt whose leaders claimed powers of invincibility. Robert-Houdin's task was to show that French magic was greater than that of the rebels. He accepted a rebel's challenge to prove that he was invincible against bullets. The man fired a revolver from a few paces, and Robert-Houdin produced the bullet from between his teeth. The magician fired the next shot against a wall, and blood ran down the surface.

The revolt leaders lost face with their followers and conceded defeat. The government credited Robert-Houdin with single-handedly putting down the rebellion, but when it offered to pay him 10,000 francs in gratitude, he refused, saying he would not accept money for performing a service for his country.

Robert-Houdin began by following in his father's steps as a watchmaker. He was a mechanical genius who amazed his contemporaries by constructing uncannily lifelike automatons and a glass clock that ran with no apparent mechanism.

He fell for magic when a book-seller mistakenly sold him a book on conjuring rather than the treatise on watchmaking he had intended to buy. To develop dexterity, he taught himself to juggle and could nonchalantly maintain four balls

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Recalling Robert-Houdin's automatons, a hydra-headed dragon pokes its heads out of the Blois museum's windows on the hour.

in the air while reading a book. He was 40 when he opened his theater, and already well-known as a maker of automatons. His theatrical career lasted only a decade, before he handed his magician's wand to his chosen successor, Pierre Chocar, who married Robert-Houdin's sister and became famous under the stage name of Hamilton. As a performer, Robert-Houdin

made enough money to buy a mansion near Blois and retire to a life of study, invention and writing.

A friend told him that the public knew him as an entertainer and would therefore never take him entirely seriously as a scientist. The observation was probably true, but Robert-Houdin was nonetheless a remarkable man of science. He studied the human eye and developed

the four main instruments still found in every ophthalmologist's office. For the army, he invented a device for measuring the distance traveled by a vehicle, which later became the taxi meter. He corresponded on equal terms with the likes of the physicist Leon Foucault.

He turned his house, Le Prieur, into a legendary showcase of technology and electricity. He developed filament bulbs so that guests could dine under electric lighting. Electric bells informed him of the arrival of mail or visitors. He even utilized the to and fro of the servants to create the energy to power the many clocks in the house. He wrote several books, the best known of which was his autobiography, "Confidences d'un Prestidigitateur," or Confessions of a Conjurer, in which he explained how he performed several of his feats, including the trick of the bullets that so amazed the Algerian rebels. He left a huge collection of writings and diagrams.

The House of Magic here, which has been open since June, is both entertaining and educational. In keeping with its status as one of the grands travaux or great public works projects of the Mitterrand era, the institution will house a national academy of the magic arts later this year.

The museum piques the interest with interactive illusions and professional magic acts, while observing the magician's *omerta* — tricks must not be revealed! Upstairs, visitors can see Robert-Houdin's scientific instruments, try to figure out the working of his glass clocks without visible mechanisms and admire many of his automatons.

Speaking of which, the entire facade of the museum, a converted 19th-century mansion, has been turned into an automaton that does Robert-Houdin's memory proud. On the hour, the windows slide open and a roaring, hydra-headed dragon pokes out its six snouts, crashing down the railings with huge clawed feet and waving its tail from a casement in the roof.

PEOPLE

AFTER centuries of speculation that the 13th-century Pope Celestine V was murdered, an Italian monk now claims he has proof, saying there is evidence that someone drove a nail into the pontiff's skull. Several Italian dailies quoted the Reverend Quirino Salomone as saying that a scan performed on Celestine's mummified remains 10 years ago showed a half-inch hole in the left temple. None of the accounts explained who ordered the test or why the results were not revealed for a decade. Salomone said he is writing a book based on "scientific and photographic material," backing his thesis. "I hope to clarify for good the mystery of the Pope's death," he said.

Tom Hanks and Steven Spielberg have made big donations to a D-Day museum scheduled to open in New Orleans in two years. The museum's founder, the historian and author Stephen Ambrose, did not disclose the exact amounts but said the donations are of hundreds of thousands of dollars each.

The money will help the museum open on its target date of June 6, 2000 — the 56th anniversary of the Normandy invasion. Ambrose, who wrote the best-seller "D-Day," was a consultant on Spielberg's new movie "Saving Private Ryan."

Mrs. Pennsylvania of 1998 has given up her crown, one day after four pageant organizers were charged with rigging the contest. In a statement released before pageant officials were expected to vote on whether to dethrone her, Rhonda Lewan said she didn't know about the scheme. If convicted, the four organizers, all from New Jersey, could each face up to 19 years in prison and a \$40,000 fine.

The Czech-born film director Milos Forman, 65, will soon become a father again. His girlfriend, Martina Zborilova, is expecting twin boys in September, the private Nova television station in Prague reported. The director, who moved to the United States in 1968, is still married to the former actress Vera

Kresadlova. They have twin sons, Petr and Matej, who are both actors.

A Boston teacher has successfully swum across the English Channel for the sixth time — just two weeks after he called off a crossing 10 hours into the swim. "I guess God was on my side," said Peter Jurzynski, 47. "I was a little burnt out because of the earlier swim." It took Jurzynski 16 hours and 16 minutes to complete the crossing, more than four hours longer than his best time of 12 hours and seven minutes. He made that time in his first outing in 1987, when he was 36. "I really do it for the fitness," said Jurzynski, who hopes eventually to beat the American record for swims across the channel.

The country music star Garth Brooks will stage his first show in South America on Saturday. The concert, in Barretos, Brazil, coincides with the Rodeo Barretos, a 10-day event that is expected to draw as many as 1.5 million visitors.



SHOWTIME — Leslie Nielsen and his wife, Barbara, attending the premiere of "Wrongfully Accused."

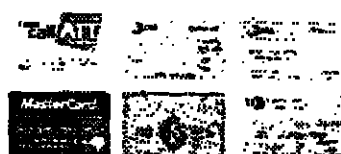


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